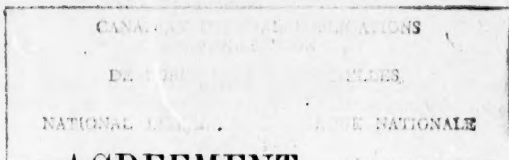


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AGREEMENT

(51)

Entered into between Her Majesty the Queen of the United Kingdom of Great Britain and Ireland and the President of the French Republic, regulating the commercial relations between Canada and France in respect of Customs tariffs.

OTTAWA, 6th March, 1893.

AGREEMENT REGULATING THE COMMERCIAL RELATIONS BETWEEN CANADA AND FRANCE IN RESPECT OF CUSTOMS TARIFFS.

Her Majesty the Queen of the United Kingdom of Great Britain and Ireland, and the President of the French Republic, being alike desirous of facilitating and extending commercial relations between Canada and France have resolved to conclude an agreement to this end, and have named as their plenipotentiaries, that is to say :—

Her Majesty the Queen of the United Kingdom of Great Britain and Ireland, His Excellency the Marquess of Dufferin and Ava, a Peer of the United Kingdom, a member of the Most Honourable Privy Council, Vice-Admiral of Ulster, Warden and Keeper of the Cinque Ports, Constable of the Castle Dover, etc., Her Ambassador Extraordinary and Plenipotentiary to the Government of the French Republic, and Sir Charles Tupper, Baronet, High Commissioner for Canada in London,

The President of the French Republic, Son Excellence M. Jules Develle, Deputy and Minister for Foreign Affairs, and Son Excellence M. Siegfried, Deputy, Minister for the Department of Commerce, Industry and of the Colonies.

Who after having communicated to each other their respective full powers, found in good and due form have agreed upon the following articles :—

ARTICLE 1.

Wines, sparkling and non-sparkling, common soaps, savons de Marseille (Castile soaps) and nuts, almonds, prunes and plums of French origin entering Canada, shall enjoy the following advantages :—

1. Non-sparkling wines gauging 15 degrees by the centesimal alcoholmeter or less, or according to the Canadian system of testing containing 26 per cent. or less of alcohol, and all sparkling wines shall be exempted from the surtaxe or *ad valorem* duty of 30 per cent.
2. The present duty charged on common soaps, savons de Marseille (Castile soaps) shall be reduced by one half.
3. The present duty charged on nuts, almonds, prunes and plums shall be reduced by one third.

ARTICLE 2.

Any commercial advantage granted by Canada to any third Power, especially in tariff matters, shall be enjoyed fully by France, Algeria and the French colonies.

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ARTICLE 3.

The following articles of Canadian origin imported direct from that country accompanied by certificates of origin shall receive the advantage of the minimum tariff on entering France, Algeria or the French colonies :—

Canned meats.
Condensed milk, pure.
Fresh water fish, eels.
Fish preserved in their natural form.
Lobsters and crayfish preserved in their natural form.
Apples and pears, fresh, dried or pressed.
Fruits preserved, others.
Building timber in rough or sawn.
Wood pavement.
Staves.
Wood pulp (cellulose).
Extract of chesnut and other tanning extracts.
Common paper, machine made.
Prepared skins, others, whole.
Boots and shoes.
Furniture of common wood.
Furniture other than chairs, of solid wood, common.
Flooring in pine or soft wood.
Wooden sea-going ships.

It is understood that the advantage of any reduction of duty granted to any other Power on any of the articles enumerated above shall be extended fully to Canada.

ARTICLE 4.

The present agreement having received the sanction of the Parliament of Canada and of the French Chambers shall be ratified and the ratifications shall be exchanged at Paris as soon as possible. It shall come into operation immediately after this formality has been accomplished, and shall continue in force until the expiration of twelve months after either of the contracting parties shall have given notice of their intention of terminating the same.

It is agreed likewise that if non-sparkling wines, gauging fifteen degrees at the most, or sparkling wines, become subject later on to an increase of duty in Canada, the French Government by denouncing the present agreement could terminate its operation immediately without waiting until the expiration of the twelve months' delay provided for above.

In witness whereof, the respective plenipotentiaries have signed the present agreement and affixed thereto the seals of their arms.

Done in duplicate, at Paris, this 6th day of February, 1893.

DUFFERIN AND AVA,
JULES DEVELLE,
CHARLES TUPPER,
JULES SIEGFRIED.

COPIES

(51A)

Of correspondence and other papers in relation to an Agreement entered into between Her Majesty the Queen of the United Kingdom of Great Britain and Ireland and the President of the French Republic, regulating the commercial relations between Canada and France in respect of Customs tariffs.

OTTAWA, March 15th, 1893.

OTTAWA, 12th January, 1893.

The Honourable Sir Charles Tupper, Bart., K.C.M.G.,
High Commissioner for Canada, London, Eng.

DEAR SIR CHARLES TUPPER,—Mr. M. Bowell instructed me last night to send you the following cable:—

"Re French negotiations, Government cannot accept conditions involved in clauses regarding steamship subvention and reduction duty French books, but agree to most-favoured nation treatment *so far as articles named in Treaty* are concerned. They agree to other conditions in return for minimum tariff on articles named as regards France and St. Pierre Miquelon. This subject to your views as to effect on proposed Spanish negotiations."

"BOWELL."

Which I now confirm, so as to avoid the chance of any mistake as to its exact words.

Believe me yours faithfully,

JOHN J. McGEE, *Clerk of the Privy Council.*

Copies of Cablegrams.

OTTAWA, 4th February, 1893.

To TUPPER, London.

Letter twenty-first received this morning, impossible to decide until further information reaches us as to what proposals are specified in the drafts. Cable what proposition is as to cheese.

BOWELL.

LONDON, February, 1893.

BOWELL, Ottawa.

Your telegram received in Paris Sunday is fully answered by my letters 24th and 25th January, which should have reached you yesterday.

TUPPER.

PARIS, 6th February, 1893.

To Sir JOHN THOMPSON, Ottawa.

Treaty was duly signed at Foreign Office to-day at five; only alteration in draft already sent you is the addition of wood pavement in the piece. The letters were also exchanged. Am mailing full text in English and French both of Treaty and letters Wednesday.

TUPPER.

FRENCH TREATY.

TUPPER, London, (and forward).

OTTAWA, 6th February, 1893.

No draft received; no steps shall be taken towards ratification until we cable approval. At present cannot understand what terms proposed either side.

THOMPSON.

TUPPER, London.

OTTAWA, 7th February, 1893.

Letters of 24th and 25th not yet received. Letters of 18th and 21st only and your telegram were before Council, when Sir John's telegram was sent instructing delay in ratification of treaty. Effect of changes in original draft not fully understood.

BOWELL.

BOWELL, Ottawa.

LONDON, 8th February, 1893.

Had left Paris for London before your message arrived. Treaty was signed at five on Monday in accordance with instructions from your Government. No change in original draft except to give minimum tariff on wood for pavement in addition to all the other articles enumerated. The proposals in letters exchanged by plenipotentiaries are not binding but optional.

TUPPER.

TUPPER, London.

OTTAWA, 10th February, 1893.

Cheese was included in proposition before us upon which telegram of twelfth January was based. Treaty being ratified by England for Canada alone. Would not France consider her a third power in case of preferential treatment?

BOWELL.

BOWELL, Ottawa.

LONDON, 11th February, 1893.

You will find by reference to French proposals, cheese was not included, but reserved for consideration French government as reduction duty on books was reserved for consideration Canadian Government. Treaty being made by England. The term 'third power' cannot include Great Britain or any British Colony or possession; this treaty, therefore, in no way interferes with preferential arrangements between Canada and Great Britain or any British Colony.

TUPPER.

BOWELL, Ottawa.

LONDON, 11th February, 1893.

Mailed to-day new law on French shipping bounties promulgated thirteenth January.

(Translation.)

FABRE.

Proposal of French Commissioners.

22nd November, 1892.

Canada undertakes: 1st to abolish the surtaxe of 30 per cent. on all non-sparkling wines of French origin gauging 15° alcohol and under.

It also undertakes to remove the surtaxe on all sparkling wines of French origin;

It undertakes to reduce by one-third the duty levied on nuts, almonds, prunes and plums imported from France into Canada.

Moreover, the Canadian Plenipotentiary undertakes to recommend that his Government make the reduction of 5 per cent. on French books and printed matter. He undertakes to do the same as to the reduction of 50 per cent. in the duty now levied on common soaps.

It is understood that all advantages granted to another power, on any article whatsoever of the Canadian Tariff, shall be extended to France.

The Canadian Government undertake to give a subsidy of £100,000 to a line of steamers having for terminus a French port.

Imports of Timber from Canada.

Ports.	Year 1891.	First 10 Months of 1892.
	K.	K.
Bordeaux	11,874,000	3,128,000
Brest	419,000	
Boulogne	735,000	
Cette	350,000	
Le Havre and Dieppe	2,907,000	937,000
Marseilles	8,031,000	1,550,000
Nantes		379,000
Total	24,016,000	5,994,000

(Translation.)

France will admit to the benefit of the minimum tariff the following Canadian articles, having certificate of origin:—

No. 128. Building timber, rough or sawn.

" 130. Staves.

" 615. Wooden sea-going ships.

" 19. Canned meats.

" 47. In part,—Fish preserved in natural form.

" 49. In part,—Lobsters and crayfish preserved in natural form.

" 86. In part,—Fruits preserved, or others.

" 600. In part,—Flooring in balsam or soft wood.

" 591. In part,—Common furniture.

" 592 *bis*. In part,—Furniture of common wood, or others.

" 168. Wood pulp.

" 84-85.—In part,—Apples and pears, fresh, dried, or pressed.

" 480-1-2. Boots and shoes.

" 238 *bis*. Extract of chestnut and other tanning extracts.

" 45. Fresh water fish, eels.

" 35 *bis*. Milk, concentrated, pure.

" 461. Common paper, machine made.

" 476. In part,—Prepared skins, others, whole (general tariff, 50 frs.; minimum tariff, 25 francs.)

(Translation.)

The French Government reserves to itself the right to examine the proposal to grant the minimum tariff as to cheese.

It is understood that any reduction in the minimum tariff granted to any Power whatsoever, as to one of the hereinbefore enumerated articles, shall be applicable *de plano* to Canada.

FRENCH TREATY.

REDUCTIONS which would be enjoyed by Canadian Products imported into St. Pierre and Miquelon.

(Application of reduced tariff prepared by the Conseil d'Etat.)

Products.	Value in Francs.	QUANTITIES.		Duty under Minimum Tariff.	Reduced Duty.	Proportion of reduction.
		Units, English.	Units, French.			
				100 kil. fr. c.		fr. c.
Coal	80,000	7,300 ton.	746,969 kil.	0.12	Exempts.	0.12
Houille.....						
Salt.....	21,000	22,426 bus.	8,000 qtx.	2.40	Exempt ..	2.40
Sel.....						
Herring, salted.....	18,000	2,514 brls.	37,709 kil.	15.00	Exempts.	15.00
Harengs, sales.....						
Staves.....	12,000	300	3,600 qtx.	0.75	do ..	0.75
Douves.....						
Horned cattle.....	152,200	1,252 head	1,252 head	30.00	Exempt ..	30.00
Bêtes à cornes.....						
Swine.....	4,300	210 "	1,250 kil.	8.00	Exempts.	8.00
Cochons.....						
Sheep.....	38,600	7,435 "	7,435 head	5.00	do ..	5.00
Moutons.....						
Poultry.....	11,400	11,400	11,400 kil.	20.00	Exemptes.	20.00
Volailles.....						
Eggs.....	5,500	7,164 doz.	3,532 "	6.00	Exempts.	6.00
Oeufs.....						
Meat, fresh.....	12,000	25,000	25,000 "	23.00	do ..	23.00
Viandes abattues.....						
Lard.....	250	960 lbs.	480 "	en moyenne.		en moyenne.
Saindoux.....				14.50	3 65 f.	10.85
Pork.....						
Viandes de porc.....	7,500	27,510 "	12,000 "	12.00	Exemptes.	12.00
Oats.....						
Avoine.....	5,345	2,000 bus.	80,000 "	3.00	0 50 f.	2.50
Flour.....						
Farine.....	35,990	1,400 brls.	21,000 "	10.00	0 35	9.65
Fodder (hay).....				en moyenne.		
Fourrages (foin).....	39,000	600 ton.	61,009 "	0.50	0 30	0.20
Potatoes.....						
Pommes de terre.....	32,000	16,600 bus.	600,000 "	0.40	Exempts.	0.40
Ships, sea-going.....						
Navires de mer.....	82,600	6 nav.	500 tx.	2.00	do ..	2.00
Tobacco (rolls or chopped).....						
Tabac (en rouleau ou haché).....	22,000	26,000 lbs.	12,000 kil.	15.00	1 00 f.	14.00
Tea.....						
Thé.....	3,800	3,827 "	1,600 "	208.00	9 00	199.00

NOTE.—The aggregate reduction on these returns would amount to about 237,000 francs below the minimum tariff.

OFFICE OF THE HIGH COMMISSIONER FOR CANADA, VICTORIA CHAMBERS,
17 VICTORIA STREET, LONDON, S.W., 2nd December, 1892.

DEAR SIR JOHN THOMPSON,—The Honourable the Minister of Finance has taken with him copies of my reports to your predecessor, Sir John Abbott, on the negotiations which, under the instructions of the Canadian Government, I have been carrying on, in conjunction with His Excellency the Marquis of Dufferin and Ava, in Paris, in relation to the extension of trade between France and Canada. These papers include the proposal made by the French negotiators at our last meeting when we adjourned until we should receive an intimation of the decision of the Canadian Government upon that proposition.

I now inclose for your consideration a detailed statement (No. 1) of the remissions of duty that we should be called upon to make to France, and a statement (No. 2) on the other hand of the reduction of duty under the minimum tariff on the present exports to France, and one (No. 3) of the estimated value of the concessions which France proposes to make in relation to our trade with St. Pierre and Miquelon.

It must not be forgotten that so long ago as 1882, my predecessor, Sir Alexander Galt, made a formal proposal to the Government of France, based upon an Order in Council of the Canadian Government, declaring that at the next ensuing meeting of the Legislature the duty of 30 per cent. *ad valorem* on all French wines would be reduced unconditionally to 15 per cent. which, as you will at once perceive, only left a margin, provided that promise had been carried out, of 15 per cent. *ad valorem*.

The present proposal does not involve the surrender of the duty on any wines containing 26 degrees of alcoholic strength, and, therefore, it is not as extensive as the pledge given by the Canadian Government to which I have referred.

The annexed memorandum upon the various articles on which it is proposed by France to give us the minimum tariff, will explain the grounds upon which, I think, we may hope to obtain a material extension of trade, probably in excess of the estimate (No. 4) herewith enclosed.

I trust that your Government will give the most prompt attention that it is possible to this important subject, and that you will inform me by cable of the decision at which the Council may arrive, and of any modification that you may find it necessary to adopt.

Looking to the great importance to Canada of obtaining new markets for the extension of her trade, I cannot but think these proposals worthy of the most favourable consideration of the Government.

I should add that the French negotiators were able to make a very strong case of the reduction to 5 per cent. of the duty on books, as all books are admitted free by France, and in the United States there is no duty on French books or publications. They also attached great importance to the reduction of the duty on Castile soap, as strengthening their hands in carrying any proposal through the Chambers, which is strongly protective in its policy.

I do not anticipate that the change in the French Government which is now taking place will materially affect the negotiations which have been carried on by gentlemen holding permanent and very high official positions in the Department of Commerce.

I remain, etc.,

CHARLES TUPPER.

P.S.—It should be observed in regard to Canada's trade with St. Pierre, that in the absence of any arrangement our exports thither after the 1st February next would be subject to the maximum tariff, and the duty payable on the basis of the enclosed returns would be some 287,000 francs higher than that to be levied under the proposed reduced minimum tariff.

C. T.

NOTES on items referred to in Statement No. IV (in despatch of December 1st, 1892) on the estimated additional trade with France under the minimum tariff.

Timber.

The present proportion of Canada's export of wood to France is about $1\frac{1}{2}$ per cent. of the total imports of squared and sawn timber.

The estimated increase is calculated at that rate on fifty per cent. of the imports from countries now under the maximum tariff.

This would raise Canada's proportion to about $2\frac{1}{4}$ per cent. of the total French import of timber as above.

Staves.

Austria supplies nine-tenths of the oak staves imported into France (66 $\frac{1}{2}$ million kilograms):

Norway nine tenths of the pine and other staves (13 million kilograms):

Allowing for a decrease of exports from Austria, which is under the maximum tariff, and the substitution therefor of other hard wood and pine staves, a larger demand for the latter becomes probable, and Canada's present light contribution of 10 millions towards the imports might be largely increased.

Wood Pulp.

Present imports from countries under the maximum tariff amount to some 33,000 tons.

The estimated trade is about 10 per cent. of Canada's present exports of that article.

The business is done on a small margin.

Wood pulp makes a good freight and could be shipped in sailing vessels with timber.

Flooring, Tongued and Grooved.

A French specialty imported in considerable quantities from Germany, Austria, Belgium.

The estimated trade is equal to 5 per cent. of one-half the present imports from countries under the maximum tariff.

Extract of Bark.

Some years ago Canada supplied between 600 and 700 barrels annually to France. The use of this article and its manufacture in Canada has developed considerably since.

Ships.

During the last 20 years, France has occasionally bought wooden ships from Canada. In view of the present depressed condition of the industry, Canada should be able to supply a larger proportion of the present importation of sea-going wooden vessels.

Lobsters.

The estimated increase consists of the imports credited to the United States, and a small proportion of those received from England. The bulk of the lobsters imported into France from these sources must be Canadian, and the supply in future will no doubt be shipped in bond through the States or by direct sailings in order to enjoy the minimum tariff, and to escape the surtaxe d'entrepot. The fact that France has refused to place lobsters from the States under the minimum tariff, should give Canada a great advantage in this trade. It is assumed that the condition of the Canadian lobster fisheries will permit of this trade being maintained.

The total Canadian exports to the United States of America in 1891, were 6,853,170 lbs. canned, and 37,000 barrels fresh lobsters.

Corned Canned Fish—(Salmon).

The estimated trade is equal to 2,000 cases.

There is a direct trade from the Pacific coast of the U.S.A. of 184,000 lbs. (4,000 cases); from the United States America Atlantic coast of 148,000 lbs., and through England of 352,000 lbs. This may include all other fish preserved in oil except sardines.

Canned Meats.

The estimated trade is double that of 1891.

The United States exported in 1891 to France 6,800,000 lbs., and England 1,900,000 lbs., the latter no doubt largely American and Colonial canned meats.

Apples—(Dried).

The estimated trade has been doubled.

Fresh.—This is a new trade, but the price of good table fruit in France would seem to warrant a moderate importation, the duty being comparatively light.

Canned Fruits.

If these are put up with sugar to preserve the contents there is only a maximum duty; if not preserved in spirits or sugar, the duty is about less than one-third that on those preserved with sugar.

Boots and Shoes.

England supplies the bulk of these imports which, in the aggregate, reached some 6,000,000 francs in 1891. Canada would be placed upon the same footing as England in regard to this trade.

Furniture.

The estimated trade is one-half the exports of the United States to France.

Live Eels.

This article was included in the list in consequence of strong representations from a Nova Scotia shipper of live eels to the United States and to England.

Condensed Milk.

Canadian condensed milk contains a considerable percentage of sugar. France exports large quantities of this article.

Condensed milk pure (*lait concentré pur*), is imported in moderate quantities (\$400,000), but almost exclusively from Switzerland.

Prepared Skins—(Tanned Sole and Upper Leather)—Whole Skins.

The estimated trade is equal to two per cent. of the present Canadian exports, which are almost entirely to England. France imports considerable quantities of leather.

No. 2—STATEMENT showing the Imports, 1891, into France of Canadian products included in list proposed by the French Commissioners, with the Amount of Duty payable on same under the Maximum and Minimum Tariffs.

No. on French Tariff.	Articles.	Quantities.	Imported from Canada.	Maximum Tariff.	Amount payable.	Minimum Tariff.	Amount payable.	Difference.
			Francs.	Francs.	Francs.	Francs.	Francs.	Francs.
128	Timber and wood in the rough							
130	Timber and wood sawn	24,000,000 kil.	2,239,290		436,457		302,604	133,853
615	Staves							
19	Ships, wooden							
47	Canned meats	25,000 kil.		20	5,000	15	3,750	1,250
49	Canned fish							
86	Canned lobsters	(328,126 lbs.)	299,730	30	47,199	25	39,332	7,867
600	Canned fruit	(164,063 kil.)	5,070		* 2,200		2,000	200
	Flooring, tongued, grooved, and planed of hard and soft wood							
591	Common furniture							
592b	Furniture, wooden, plain, others							
168	Wood pulp							
84-5	Apples and pears, fresh and dried	(50,776 lbs.)						
480-2	Boots, shoes and slippers	(25,238 kil.)	15,725		†3,450		†2,300	1,150
238a	Extract of bark							
45	Live eels							
35	Condensed milk							
461	Paper, common, machine made							
476	Prepared skins							
					494,300		349,986	144,320

† Estimated.

cluded in
duction of

Dollars.
Amount in
Francs.

3

3

8

8

2 371,560

24,950

11,150

21,420

2,160

7,170

1,175

439,585

FRENCH TREATY.

No. 3.—TRANSLATION of Statement of Reductions which Canadian products im-
ported into St. Pierre and Miquelon (French Trade Returns) would enjoy under
the application of Reduced Tariff proposed by the Conseil d'Etat.

[illegible]

No. 4.—TABLE showing the estimated increase of Canadian Exports to France under the Treaty, with the amount of duty payable on the same under the Maximum and Minimum Tariff.

French Tariff No.	Article.	Present Trade.	Estimated Additional Trade.	Rate of Maximum Duty.	Amount payable under Maximum Tariff.	Rate of Minimum Duty.	Amount payable under Minimum Tariff.	Difference.
				Francs per 100 kil.	Francs.	Francs per 100 kil.	Francs	Francs
128	Timber, rough and hewn	24,000,000 kil. 2,239,200 francs \$447,858	12,000,000 kil. 1,100,000 frs. \$220,000	1.50 to 2.50	137,400	0.75 to 1.25	125,650	62,000
130	Staves	10 mil. 52,320 kil. \$3,838	100 mil. 523,200 kil.	1.25	6,500	0.75	3,934	2,576
				Average.				
168	Wood pulp	None	Mechanical, 1,000 tons Chemical, 250 tons	1.20 2.50	12,000 6,250	0.75 2.00	7,500 5,000	4,500 1,250
600	Flooring	do	400,000 kil. \$21,000	5.00	20,000	3.50	14,000	6,000
238	Extract of bark	do	1,000 brls. \$17,000	5.00	5,000	3.00	3,000	2,000
615	Ships	do	500 tons	5.00 p. ton	2,500	2.00 p. ton	1,000	1,500
49	Lobsters, canned	238,126 lbs. \$60,000	800,000 kil. 1,600,000 lbs.	30.00	240,000	25.00	200,000	40,000
47	Fish, canned	None	50,000 kil. 100,000 lbs.	30.00	15,000	25.00	12,500	2,500
19	Canned meats	50,000 lbs.	50,000 lbs. 25,000 kil. \$5,000	20.00	5,000	15.00	3,750	1,250
85	Apples, dried	50,000 lbs.	50,000 lbs. 25,000 kil.	15.00	3,750	10.00	2,500	1,250
84	do fresh	None	1,000 brls. 75,000 kil.	3.00	2,250	2.00	1,500	750
86	Canned fruits	\$1,070						
480-2	Boots and shoes	None	1,000 pairs	Average. 1.75	1,750	Average. 1.20	1,200	550
591	Plain furniture	do	20,000 kil. \$8,000	Average. 9.50	1,900	Average. 7.50	1,500	400
592	Furniture, other	do						
45	Live eels	None						
35	Condensed milk	do						
461	Paper, common	do						
476	Prepared skins, tanned, sole and upper leather	do	30,000 kil. \$18,000	50.00	15,000	25.00	7,500	7,500
..	Whole skins							
								134,500

Products im-
port under

Amount payable under Reduced Minimum Tariff.
Francs.
Free
do
do
do
do
do
17
Free
400
73
183
Free
do
120
144
16,800
17,737

GRAND HOTEL, PARIS, 25th January, 1893.

DEAR MR. BOWELL,—I sent our draft of the treaty, after consulting Sir Joseph Crowe, to M. Hanetaux yesterday morning, and in the afternoon received the draft of the French negotiations, which contained the following article:—

ARTICLE II.

"Any advantage given to another country, especially to the United Kingdom of Great Britain and Ireland, concerning one or several of the articles of the Canadian tariff enumerated or not in the preceding disposition shall, by right, be extended to France and to its Colonies."

On meeting in company with Sir Joseph Crowe, MM. Hanetaux, Pallain and Roume this afternoon at 4 o'clock at the Quai d'Orsay, I explained to them that I desired to substitute therefor the following reading:—

"Any commercial advantage granted to any third power shall, by right, be extended to France."

This at first sight may appear to exceed in a slight degree the instructions that you gave me, but practically I think it will be found to be entirely unobjectionable. In the first place it does not interfere with the adoption of a preferential tariff between Canada and Great Britain or with any of the British Colonies, and in the second place, pending the continuance of the treaties between Great Britain and Belgium and Germany, and in view of the opinion held by the British Government, we are unable to make a preferential arrangement with any foreign country.

The objectionable clauses in the Belgian and German Treaties relating to the Colonies can only be removed by England giving the twelve months' notice that is required to denounce them. And in that case, if we had any desire at any time to make preferential arrangements with any third Power, the proposed Treaty with France could be terminated by a year's notice at the same time with the power which the treaty provides of being terminable at will by either party subject to twelve months' notice.

I do not think it possible that any inconvenience can arise from the engagement which I have agreed should be adopted.

The text of the Treaty will be fully settled, I expect, at 4 o'clock to-morrow, the 26th instant, and it will be signed as soon as authority is received from the Secretary of State for Foreign Affairs in London, to whom the draft will be sent by Lord Dufferin to-morrow.

The French Commissioners attributed importance to the exchange of a letter recommending Canada to agree to the reduction of the duty on paintings and pictures, in return for which they propose to give us the minimum tariff on cheese.

I am preparing for you a full report upon that subject which shall be forwarded for your consideration. But you will observe in the meantime that the matter is entirely optional and one for the Canadian Government to accept or not as they may desire.

Before forwarding this letter I hope to be able to add copies of the draft of the proposed Treaty and of the optional letter in question.

Trusting that this will meet with the approval of yourself and of your colleagues, and be found a useful measure for promoting and extending trade between Canada and France.

I am yours faithfully,

CHARLES TUPPER.

GRAND HOTEL, PARIS, 26th January, 1893.

DEAR MR. BOWELL,—In continuation of my letter of yesterday I may say that Sir Joseph Crowe and I met the French Negotiators at 4 o'clock this afternoon at the Quai d'Orsay. They informed me that owing to the question of procedure in respect of the exceptions to the general tariff of St. Pierre and Miquelon, which, they said, the Government had the power to put into force without consulting the Chambers, there was an objection to a reference to this matter appearing in the body of

the Treaty. I pointed out to them that as this concession was one which had influenced the Canadian Government a good deal in their instructions to myself, it was desirable that some specific reference to the matter should appear on record. I suggested, therefore, as the best way of meeting the wishes of the Canadian Government in the circumstances, that it should form the subject of a letter to be attached to the Treaty.

This was agreed to, and the concession is mentioned in the draft of the optional letter I referred to in my last, a copy of which I attach, together with the question of the exchange of a reduction of the duty on paintings, prints, drawings, &c., for the minimum tariff on cheese.

In the same letter mention is also made of the subsidy appropriated by Parliament towards a direct steamship service between Canada and France, in a manner which has satisfied the French Negotiators, and in one, to which, I think, no exceptions can be taken by Canada.

Some further slight alterations were made in the text of the Treaty tending to simplify and to render its terms more precise, and the final drafts were then adopted and exchanged. I now inclose a copy of the text of the Treaty in French as it was approved at this meeting.

I saw Lord Dufferin afterwards, who has been unwell for some days past and unable to leave the Embassy, and on gathering from him that the Foreign Office would probably take a few days to consider the Treaty before authorizing us to sign, I decided to return to London to-morrow to offer any explanations that may be required, and to facilitate as much as possible early action being taken; at Lord Dufferin's request I am taking the Treaty with me to the Foreign Office, and I hope to be able to return next week again to Paris to sign the same with His Excellency.

In my judgment the terms of the arrangement I have been able to negotiate with France may be considered distinctly satisfactory, especially in view of the disadvantages under which Canada laboured, and which arose from the unfulfilled pledges given to France in the previous negotiations conducted by my predecessor, and the present small amount of trade interchanged. There can be no doubt that it compares most favourably with the recent United States arrangement with France, under which, as you will see on page 204 of the inclosed correspondence between Mr. Whitelaw Reid, the late American Minister in Paris, and Mr. Ribot, the United States gave free entry to \$11,000,000 of French products in return for the minimum tariff on woods, canned fruits, fresh and dried fruits, and hops.

I may remark in addition that this arrangement has not so far become law in France, having yet to pass the Senate; meanwhile, for the last nine months, France has enjoyed the advantage of her share of the bargain in the United States markets.

The present Canadian arrangements with France comprises a list of a number of articles upon which the minimum tariff will be conceded, and in which I believe a considerable trade may be developed with France.

I have placed the Hon. Hector Fabre, the Canadian Agent in Paris, in communication with the various gentlemen with whom I have been in contact in Paris and elsewhere in this matter, and he is preparing at my request an exhaustive report on the whole subject of trade in the list of articles in question. I hope shortly to have this ready for you.

With reference to the question of the proposed reduction of duty on paintings, prints, drawings, from 20 to 5 per cent. in exchange for the minimum tariff asked for by the French Commissioners, I have reason to believe that a reduction to 10 per cent. would be considered satisfactory. At the same time I may say that I shall most probably be able to have wood pavement in blocks (No. 129 in the French tariff) added to our list.

The question of obtaining the *minimum tariff on cheese* is, in my opinion, a matter of the utmost importance, and one that would far outweigh in solid advantages the small loss of revenue resulting from the concession asked in return.

It should lead to the Canadian cheese industry finding a large market in France, for a new product, Gruyere cheese, on most favourable and advantageous conditions. What Cheddar is in England, Gruyere is in France, namely, the most popular cheese, the consumption of which is enormous.

Switzerland, which sent France in 1891 over 36,000,000 lbs. of this cheese, is now under the maximum tariff, which imposes a duty of 25 francs per 100 kils, against 15 francs, the minimum tariff rate. Under such a rate the Swiss trade with France must largely cease. Gruyere cheese, as you may be aware, is made of skim-milk. A profitable utilization of this by-product, therefore of our cheese factories becomes possible if the minimum tariff be conceded to Canada on cheese. If you are able, as I hope you will be, to arrange this matter, I would suggest sending to Switzerland, Mr. Robertson, the Dominion Dairy Commissioner, who is now in England, to study the question of the manufacture of this cheese, locally, for the guidance and instruction of the cheese-making industry in Canada.

In conclusion, may I urge upon you the importance of using every despatch in obtaining the sanction of Parliament to the proposed treaty at the earliest moment. Owing to the disturbed state of things here, no one knows what may happen. There would be without doubt a majority in the Chambers in favour of the treaty, and the Commissioners have also showed their desire that it should become law at the earliest moment possible, by the stipulation they proposed to insert in the treaty that the ratifications should be exchanged not later than March 31st next.

I am yours faithfully,
CHARLES TUPPER.

TRANSLATION OF PROJECT.

(*M. Develle, Minister of Foreign Affairs, to the Marquis of Dufferin and Ava and to Sir Charles Tupper.*)

January, 1893.

GENTLEMEN,—In a letter of this date, you have kindly informed me that you would recommend to your Government the proposition I had the honour to submit to you concerning the admission into Canada of paintings, pictures, drawings and building plans, of French origin. As pointed out by you, the Government of the Republic would desire that the agreement be made as follows: The Government of the Dominion would agree, on the first part, to maintain on the free list Item 764 of the Canadian Tariff, concerning the paintings in oil or water colours by artists of well known merit, and copies of the old masters by such artists, and, on the second part, to reduce from 20 to 5 per cent. the duty imposed by Item 308 of the same Tariff on paintings, engravings, drawings and building plans.

Of course it is understood that if, as you hope, the Government of the Dominion gives satisfaction to the Government of the Republic on this point, the French Government will consent to add cheese to the list of articles of Canadian origin, which, in accordance with the terms of article 3 of the agreement signed to-day, are to be admitted into France, Algeria and the Colonies under the minimum tariff.

You have also confirmed what you had made known to me during the conference, namely, that the Government of the Dominion, wishing to encourage the development of the commercial relations between the two countries, has caused to be voted by the Parliament of Canada a subsidy of 100,000 pounds sterling to a line of steamers sailing from a Canadian to a French port.

You have also asked me to take into consideration the interests of Canadian importers concerning import duties at St. Pierre and Miquelon. I have the honour to inform you that these interests have received particular attention from the State Council and that the special decree issued by direction of that Assembly is actually in force.

I hasten to acknowledge receipt of your communication and thank you therefor.

The Right Honourable

The Earl of Rosebery, K. C.

PARIS, 6th February, 1893.

My LORD,—I have the honour to transmit to Your Lordship herewith, the English and French texts of the commercial arrangement between Great Britain and France, with regard to the trade between Canada and France, which in accordance

with the instructions contained in Your Lordship's despatch No. 18, of the 2nd instant, Sir Charles Tupper and myself, Her Majesty's Plenipotentiaries, have signed this day with Monsieur Develle, the French Minister for Foreign Affairs, and Monsieur Siegfried the Minister of Commerce, the Plenipotentiaries of the Government of the French Republic.

I also inclose the text of the notes at the same time exchanged between Monsieur Develle and myself, in accordance with the authority conveyed in Your Lordship's above mentioned despatch.

I have the honour to be with the highest respect, my Lord,

Your Lordship's most obedient humble servant,

DUFFERIN AND AVA.

PARIS, 6th February, 1893.

MONSIEUR LE MINISTRE,—In the course of the conferences which have just been concluded by the signature of an agreement between France and Canada, regulating the commercial relations of the two countries, in the matter of tariff, your Excellency expressed a wish that the understanding about to be come to between the two countries should also include the customs treatment of pictures, prints, engravings, drawings and architectural drawings entering Canada.

The Government of the Republic is of opinion that the treatment above alluded to should be as follows: The Government of the Dominion of Canada engages on the one hand, to maintain the freedom of duty assured in the article 764 of the Canadian tariff in respect of "pictures and water colours executed by artists of well known merit, and copies of great masters made by the same artists," and on the other hand, to reduce from 20 to 5 per cent. the duty in Article 308 of the same tariff relative to "pictures, engravings, drawings and architectural drawings."

As verbally agreed, we have the honour to inform Your Excellency that these demands will be recommended by the undersigned to the Canadian Government. It is meanwhile understood that if, as we hope, the Government of the Dominion of Canada thinks it possible to give satisfaction to the Government of the French Republic on this point, the French Government will consent on its part to add cheese to the list of articles of Canadian origin which in terms of article 3 of the agreement signed this day will be admitted in France, Algeria and her Colonies, to the advantage of the minimum tariff.

We take this opportunity of confirming what we already made known to Your Excellency during the progress of the conferences, viz.: that the Canadian Parliament, desirous of favouring the development of commercial relations between the two countries, has voted a subvention of £100,000 for the purpose of establishing a line of steamers to run between a Canadian port on one side, and a French terminus port on the other.

We have the honour to be with the highest consideration,

Monsieur le Ministre,

Your Excellency's most obedient and humble servants,

DUFFERIN AND AVA,
CHARLES TUPPER.

The proposed treaty which would in the sequence follow is now before Parliament.

MEMORANDUM of articles exported to St. Pierre and Miquelon during the Fiscal Year ended 30th June, 1892, and showing reduction under new Tariff applicable to those Islands in force since 1st February, 1893.

Articles.	Quantity.	Value.	Amount of Reduction.
		£	Francs.
Coal	Tons. 14,035	30,413	15,312
Salt	Bush. 384	85	336
Herrings (salted).....	Brls. 1,202	1,260	16,395
Staves.....	M. 38	484	522
Cattle.....	Head. 1,088	24,116	3,264
Pigs.....	" 169	835	1,322
Sheep.....	" 2,850	7,422	14,250
Poultry.....	" 1,740	1,740	2,720
Eggs.....	Doz. 14,743	1,582	430
Meat.....	Lbs. 67,758	2,979	7,084
Lard.....	" 300	33	15
Pork.....	" 24,909	1,419	1,356
Oats.....	Bush. 7,221	2,611	3,280
Flour.....	Brls. 2,597	12,832	22,775
Fodder (hay).....	Tons. 677	8,266	1,365
Potatoes.....	Bush. 22,186	6,978	2,420
Ships (sea-going).....	Tons. 814	25,930	1,628
Tobacco.....	Lbs. 28,281	3,437	1,800
Tea.....	" 5,777	1,143	5,226
Total		113,566	*121,500

* Equals 823,439.

MEMORANDUM re FRENCH TARIFFS.

	Unit.	Tariff in force prior to Jan., 1892.	Tariff in force since January, 1892.	
			Maximum.	Minimum.
		Francs.	Francs.	Francs.
Logs—2 decimeters and under	Per 100 kilos.	1	1 50	1 00
Staves.....	Free.		1 25	0 75
Ships.....	Per ton.	2	5 00	2 00
Meats in boxes (cans).....	Per 100 kilos.	8	20 00	15 00
Fish—preserved.....	do	10	30 00	25 00
do—fresh (eels).....	do	5	10 00	5 00
Lobsters—preserved	do	10	30 00	25 00
Table fruits other than preserved in spirits, sugar or honey.....	do	8	10 00	8 00
Apples and pears—fresh.....	do	Free	3 00	2 00
do—dried.....	do	6	15 00	10 00
Wood veneers for parquetry.....	do	1	5 00	3 50
Cellulose pulp.....	do	1	1 50	1 00
do—mechanical moist.....	do	Not in tariff	0 75	0 50
do—chemical.....	do		2 50	2 00
Extract of chestnut, &c., tannin.....	do	Free	5 00	3 00
Condensed milk.....	do	6	10 00	5 00
Paper—common machine-made.....	do	11	13 00	10 00
Hides.....	do	50	50 00	25 00
Boots and shoes—top boots.....	Per pair.....	2	2 50	2 00
do—for men and women.....	do	1 25	2 50	1 50
do—shoes.....	do	0 75	1 00	0 75
Common furniture—chairs.....	Per 100 kilos.	7 50	11 00	9 00
do—other than chairs.....	do	5 00	6 00	5 00

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FRENCH TREATY.

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List of Canadian Articles which France proposes to admit at Minimum Tariff when imported direct and accompanied by Certificates of Origin.

	Tariff Number	Unit.	Maximum Rate.	Minimum Rate.	Reduction of Duty on Basis of Year 1891-92 Exports.
			Francs.	Francs.	Francs.
Logs, rough and sawn	138	100 kilos (2204 lbs.)	1 50	1 00	136,493
Staves	130	do	1 25	75	548
Wood veneers for parquetry of fir or other soft woods	600	do	5 00	3 50	
Cellulose pulp, dried	168	do	1 50	1 00	
do mechanical moist		do	75	50	
do chemical		do	2 50	2 00	
Sea-going ships of wood	615	Tons.	5 00	2 00	2,400
Preserved meats in boxes	19	100 kilos.	20 00	15 00	205
do fish	47	100 do	30 00	25 00	
Lobsters, preserved	49	100 do	30 00	25 00	17,650
Table fruits preserved otherwise than in spirits, sugar or honey	86	100 do	10 00	8 00	
Apples and pears, fresh	84	100 do	3 00	2 00	
do dried			15 00	10 00	148
Boots and shoes	480	Per pair.	2 50	2 00	
do	481	do	2 50	1 50	
do	482	do	1 00	75	
Extract of chestnut wood and other tannic vegetable saps	238	100 kilos	5 00	3 00	
Fresh water fish (eels)	45	100 do	10 00	5 00	
Condensed milk	35	100 do	10 00	5 00	
Common paper, machine made	461	100 do	13 00	10 00	
Hides and skins, prepared, other than goat, kid, sheep or lamb	476	100 do	50 00	25 00	
Common furniture (chairs)	591	100 do	11 00	9 00	
Furniture, other than chairs in common wood	592	100 do	6 00	5 00	
Total remittant reduction					157,443
Equal to					\$30,416

MEMO. re Exports to France, for the fiscal year ended June 30th, 1891, Showing also the reduction which would accrue under the Minimum Tariff from Maximum Tariff of 1892, had it been then in force, as well as increased revenue to France under Minimum Tariff as compared with the Tariff actually in force in 1891

Article and Quantity Exported.	Value.	Proposed reduction from present maximum Tariff.	Actual increase over Tariff in force in 1891.
	\$	Francs.	Francs.
Logs, rough and sawn, 4,632 standard 5 M. feet	124,935	75,646	
Staves, 10 M.	810	96	144
Ships, 492 tons	15,900	1,476	
Preserved meats, 144 pounds	10	4	7
Preserved lobsters, 328,126 pounds	50,946	7,457	22,371
Apples, dried, 50,776 pounds	3,125	1,155	924
Equal to		85,833	23,446
		\$16,566	\$4,425

NOTE.—There were no exportations of any other articles named in proposed treaty.

FRENCH TREATY.

IMPORTATIONS from France for the Fiscal Year ended 30th June, 1891.

Articles.	Value.	Duty Collected.	Proposed per cent.	Reduction Amount.
Wines not sparkling and not over 26 per cent. proof spirits.....	93,042	52,407	30 p.c. <i>ad val.</i>	28,183
Champagne and other sparkling wines.....	153,761	72,729	do	46,129
Almonds.....	11,167	4,510	33½ p.c. off	1,434
Nuts, other.....	33,445	14,151	do	4,716
Plums and prunes.....	4,366	707	do	236
Soap, common and Castile.....	10,416	4,461	50 p.c. off	2,231
Total.....				82,920

IMPORTATIONS from countries other than France, Fiscal Year ended 30th June, 1891.

Articles.	Value.	Duty Collected.	Proposed per cent.	Reduction Amount.
Wines, not sparkling and not over 26 per cent. of proof spirits.....	108,194	80,634	30 p.c. <i>ad val.</i>	32,448
Champagne and other sparkling wines.....	31,323	82,585	30 p.c. <i>ad val.</i>	9,397
Almonds.....	49,944	14,248	of duty....	4,750
Nuts, other.....	123,796	62,460	“	20,753
Plums and prunes.....	102,039	17,865	“	5,955
Soap, common and castile.....	30,360	8,458	“	4,229
Total.....				77,532

ARTICLES imported from France for the Fiscal Year ended 30th June, 1892.

Articles.	Quantity.	Value.	Duty Collected.	Percentage of Proposed Reduction.	Amount of Proposed Reduction.
Wines, not sparkling.....	106,289	101,605 00	57,081 00	30	50,499 50
Champagne and other sparkling wines.....	16,393	138,850 00	77,239 70	30	23,161 91
Almonds.....	174,203	13,291 00	5,354 09	33½	1,784 67
Nuts, other.....	27,652	1,952 00	829 56	33½	276 51
Plums and prunes.....	24,343	1,272 00	243 43	33½	81 14
Soaps, common.....	1,043	48 00	15 64	50	7 82
do Castile.....	230,818	10,599 00	4,616 37		2,308 18
Total reduction on importations from France.....					58,119 53

COUNTRIES OTHER THAN FRANCE.

Wines, not sparkling.....	123,761	76,948 00	55,283 00	30	23,084 00
Champagne and other sparkling wines.....	3,783	36,650 00	19,652 11	30	10,995 00
Almonds.....	448,573	50,680 00	16,134 18	½ duty	5,378 00
Nuts, other.....	1,782,886	83,412 00	53,496 56	“	17,832 00
Plums and prunes.....	1,871,405	68,267 00	17,714 05	“	5,905 00
Soaps, common.....	870,655	46,644 00	18,236 42	50	5,162 00
do Castile.....				“	1,532 00
Total.....					69,888 00

ne, 1891.

Reduction Amount.	
8	
28,183	
46,129	
1,434	
4,716	
2,231	
2,231	
82,929	

0th June, 1891.

Reduction Amount.	
8	
32,448	
9,397	
4,750	
20,753	
5,955	
4,229	
77,532	

ne, 1892.

Amount Proposed Reduction.	
8 cts.	
50,499 50	
23,161 91	
1,784 67	
276 51	
81 14	
7 82	
2,308 18	
58,119 53	
23,084 00	
10,995 00	
5,378 00	
17,832 00	
5,905 00	
5,162 00	
1,532 00	
69,888 00	

FRENCH TREATY.

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SYNOPSIS.

Loss to Canada on basis of Importations for year ended 30th June, 1892:—	
Direct.....	\$58,119
Indirect.....	69,888
Loss to France on basis of Exportations and Tariff 1892.....	\$30,416
Loss to Canada on basis of Importations for year ended 30th June, 1891:—	
Direct.....	\$82,929
Indirect.....	77,532
Gain to France on the basis of Exportations and Tariff in force, 1891.....	\$ 4,425
Loss to France on basis of Exportation to St. Pierre and Miquelon for year 1892 and reduction from maximum Tariff to Tariff now in force.....	\$23,439

(Circular.)

DEPARTMENT OF TRADE AND COMMERCE.

OTTAWA, 20th February, 1893.

For the information of Customs Officers and others interested I have, by order of the Honourable the Minister of Trade and Commerce, the honour to advise you of the issue under date of 21st December, 1892, of a Decree of the President of the French Republic respecting the Customs Tariff of St. Pierre and Miquelon, copy whereof is hereto appended.

It may be observed that the equivalent of the French kilogram is for all practical purposes 2½ pounds avoirdupois, (actually 2.2046 pounds). The hectolitre is equal to 22 Imperial gallons (actually 22.009). The intrinsic value of the franc is 19.3/10 cents.

W. G. PARMELEE, *Deputy Minister.*

Official Journal, 25th December, 1892.

MARINE AND COLONIAL OFFICE.

The President of the French Republic.

On the report of the Minister of Marine and the Colonies ;

Considering the law of 11th January, 1892, relating to the establishment of the General Customs Tariff ;

Considering the opinion expressed by the General Council of St. Pierre et Miquelon, in the sitting of the 9th May, 1892 ;

Considering the advice of the Minister of Commerce and Industry ; •

The State Council being heard,

Decreets—

Art. 1. The exceptions to the General Customs Tariff, in so far as foreign products imported into St. Pierre et Miquelon are concerned, are established, conformably to the table annexed to this decree.

Art. 2. The taxes mentioned in the said table constitute a single tariff which is to replace the duties of the general tariff and of the minimum tariff.

Art. 3. The additional duties for warehousing in bond, established by article 2 of the law of the 11th January, 1892, and the tables C and D annexed to the aforesaid law, are not collected in the colony of Saint-Pierre et Miquelon.

Art. 4. The Minister of Marine and the Colonies is charged with the enforcement of this decree.

Done at Paris, the 21st December, 1892.

By the President of the Republic :—

The Minister of Marine and the Colonies,
BURDEAU.

CARNOT.

TABLE annexed to the decree applying to Saint Pierre et Miquelon the Metropolitan Customs Tariff.

I. Live Stock.

Oxen and cows, exempted.
Calves, exempted.
Horned and sheep, exempted.
Pigs, exempted.
Fowls, exempted.
Pigeons, exempted.

II. Products of Animals.

Fresh meats, exempted.
Game, killed, exempted.
Salt pork, 3 frs. per 100 kilog.
Corned beef and other salt meats, 5 frs. per 100 kilog.
Lard, 3 frs. 65c. per 100 kilog.
Eggs, exempted.

III. Fisheries.

Fresh fish, exempted.
Salt fish, other than cod, klippfish, stockfish and herring, exempted.
Fresh oysters, exempted.

VI. Breadstuffs.

Wheat flour, 35 centimes per 100 kilog.
Oats, 50 centimes per 100 kilog.
Indian corn, 50 centimes per 100 kilog.
Indian corn meal, 15 centimes per 100 kilog.
Rice, 15 centimes per 100 kilog.
Potatoes, exempted.

VII. Fruits and Seeds.

Fresh fruits, exempted.

VIII. Colonial produce for consumption.

Tea, 9 frs. per 100 kilog.
Coffee, 7 frs. 30c. per 100 kilog.
Molasses, 1 fr. 60c. per 100 kilog.
Biscuits, 5 frs. 50c. per 100 kilog.
Chocolate, not sweetened, 9 frs. per 100 kilog.
Pepper, 7 frs. per 100 kilog.
Leaf tobacco, 50 frs. per 100 kilog.
Smoking and chewing tobacco, and snuff, 150 frs. per 100 kilog.
Cigars and cigarettes, 250 frs. per 100 kilog.

XI. Wood.

Firewood, exempted.
Hoops and staves, exempted.
Fence rails, exempted.
Timber and lumber, all kinds, 15 centimes per 100 kilog.

XIV. Miscellaneous Products.

Fresh vegetables, exempted.
Hay, pressed, 30 centimes per 100 kilog.

XV. Liquors.

Alcohol, 31 frs. 60c. per hectolitre, at 89°.
Brandy, 31 frs. 60c. per hectolitre, at 89°.
Rum and tafia, 31 frs. 60c. per hectolitre, at 89°.
Gin, 31 frs. 60c. per hectolitre, at 89°.

XVI. Marble, stone, earths and combustible minerals.

Coal, exempted.
Anthracite, 10 centimes per 100 kilog.
Mineral oil and petroleum, 13 frs. 25c. per 100 kilog.

XVIII. Chemicals.

Salt, free.

XXIV. Yarns.

Cotton threads, 8 frs. per 100 kilog.

XXV. Textile fabrics.

Sail cloth, cotton, 11 frs. per 100 kilog.
Unbleached cotton in the piece, single or twilled, 11 frs. per 100 kilog.

XXIX. Arms, Powder and Ammunition.

Gunpowder, 12 frs. 50c. per 100 kilog.

XXX. Manufactured wood.

Lumber planed, tongued and grooved, 20 centimes per 100 kilog.

XXXIV. Articles of diverse materials.

Schooners, exempted.
Dories, 25 frs. per unit.

The above table is annexed to the decree of the 21st December, 1892.

The Minister of Marine and the Colonies,

BURDEAU.

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SUPPLEMENTARY RETURN

(51n)

To an ADDRESS of the HOUSE OF COMMONS to His Excellency the Governor-General, of the 15th March, 1893, for copies of correspondence and other papers in relation to an Agreement entered into between Her Majesty the Queen of the United Kingdom of Great Britain and Ireland and the President of the French Republic, regulating the commercial relations between Canada and France in respect to customs tariffs.

OTTAWA, 20th March, 1893.

GRAND HOTEL, PARIS, 7th November, 1892.

DEAR SIR JOHN ABBOTT,—As arranged with you, I left London by the club train at three o'clock on Thursday and arrived here the same night. I had previously telegraphed to my private secretary, Mr. Just, to inform His Excellency the Marquis of Dufferin and Ava, when I would reach Paris.

Sir Joseph Crowe called on Friday morning to inform me that they had learnt that His Excellency would receive a communication that day from the French Government fixing the day and hour of the first meeting. He also told me that he had ascertained definitely from the United States Minister that no action had been taken up to the present time in regard to the arrangement made by his predecessor, Mr. Whitelaw Reid, respecting the concession of the minimum tariff to the United States on several articles, as the Chambers so far had not adopted it. It appears that having been made a "Projet de Loi" instead of a decree, the action of the Chambers is necessary to give it effect.

I called at the Embassy on Saturday and was shown a letter which had just been received by His Excellency Lord Dufferin from M. Ribot, the Minister of Foreign Affairs, a copy of which is inclosed, saying that he would be glad to receive us at the Foreign Office on the following Monday at 4 o'clock and that he had designated M. Hanotaux, Director of Commerce, to represent the French Government in the pour parlers, and that he had requested his colleague, the Minister of Commerce and Industry, to delegate for the same object one of the functionaries of his Department. Mr. Austin Lee, the Second Secretary of Legation, informed me that His Excellency would present me to the Minister of Foreign Affairs on the day and at the hour named. Sir Joseph Crowe very kindly called upon me at 11 o'clock this morning and we discussed fully the line to be taken in opening the negotiations, and a little before four we proceeded together to the Foreign Office, where we were shortly afterwards joined by the Marquis of Dufferin and Ava, who presented me to His Excellency the Minister for Foreign Affairs.

Lord Dufferin and I explained to His Excellency the object of our mission. We were received with great cordiality and were assured by him that it would receive the best attention of the French Government.

Sir Joseph Crowe and I were then placed in communication with M. Hanotaux, M. Pallain, the Chief of the Customs Department, and M. Roume, another high departmental official, and we discussed with them the questions at issue until after 6 o'clock.

I explained that the Dominion of Canada being desirous of obtaining more favourable trade relations with France, Her Britannic Majesty had conferred plenipotentiary powers upon His Excellency the Marquis of Dufferin and Ava and myself for the purpose of endeavouring to negotiate a Treaty relating to trade between

France and Canada. I was informed at the outset that the Government of the Republic were not prepared to entertain the question of any interference with the minimum tariff, and I would therefore confine myself to the application to extend the benefit of the minimum tariff, at all events, to a number of the principal articles exported by Canada to France. I would particularly draw attention to the grounds upon which we based that application. A short time ago an arrangement was negotiated between Mr. Whitelaw Reid, the late Minister representing the United States in Paris, on the ground that the United States Government had remitted the duties on sugar, molasses and hides, and that the law providing for the remission of these duties authorized the Government by proclamation to withhold these advantages from any country that did not give in return a *quid pro quo* in equivalent tariff remissions.

I stated that in the Customs Act now in force in Canada, sugar, tea coffee and hides were also admitted free of duty, and that the Act also contained a similar provision authorizing the re-imposition of certain duties upon sugar, molasses and tobacco. I drew attention to the fact that in the existing tariffs the principal articles of export from France were admitted into Canada upon a much lower scale of duties than that exacted in the United States, and I instanced specially that cases of wines and spirits and tobacco. I also referred to the fact that Canada received at present nearly ten times as much of the products of France as she sent her. I stated that I did not propose to raise the question of the *surtaxes d'entrepôt*, as the Government of Canada were at present engaged in providing for an excellent fast service between France, Great Britain and Canada that would thus enable us to avoid transshipment of goods passing through Great Britain. I added that I could give no greater evidence of the great desire of Canada to obtain more intimate trade relations with France, and to promote intercourse between the two countries, than by calling their attention to the advertisement inviting tenders for this service, which I did, and to the condition that there should be direct communication between France and Canada, and *vice versa*, a French port being stipulated for as the point from which the steamers should start and to which they should return.

I mentioned that the Government of Canada stood pledged to the appropriation of £150,000 per annum for the proposed service, and that when it was organized and in operation, as I believed it would be at no distant date, the speed required would enable mail matters and passengers to reach not only Canada but all the Western States of America more than twenty-four hours sooner than they could be conveyed to the same points by the direct route now in existence by New York. The value to France as well as to Canada of this service would be at once apparent. I pointed out the value to France of the competition between Canada and the United States that would be created by the extension of the minimum tariff to certain articles of export to France. I also referred to the large French-speaking population in Canada who still preserve a lively affection for their mother country, and who in common with the rest of Canada were very desirous of freer trade relations than now existed.

In response, the gentlemen whom I have already named as taking part in the discussion pointed out that the arrangement agreed upon with the United States of America had not yet taken effect, and that it was based upon the amount of trade between France and her Colonies and the United States which was benefited by the reduction on articles above referred to which had been made free of duty. In this way, a suitable reciprocity was effected.

I was asked and gave them the relative amount of our imports from and exports to France, but accompanied it with the remark that more favourable trade relations would no doubt result in a great expansion of trade on both sides, as Canada was being rapidly developed and was making great progress.

I was asked if the clause which formerly existed in our Customs law in which the Governor in Council had power by proclamation to reduce or remove altogether the 30 per cent. *ad valorem* duty on wines was still retained; whether it would be practicable for us to extend the trade between the two countries upon the minimum tariff being given by France and as to the corresponding reduction of Canadian duties, at all events on the exports of France to Canada. I was reminded also that

the Canadian tariff had been materially raised during the last ten or twelve years. I said that the Governor in Council still possessed the power under the law to make a remission of the *ad valorem* wine duties in whole or in part, and I pointed out that the increase in the duties had been as great in France as in Canada, so that the respective positions remained very much as before.

I inquired as to whether the minimum tariff as a whole could be extended to Canada, provided we were to remove some additional duties. It was replied that there would be great difficulty in that respect as products of the United States, to whom the minimum tariff had been given on a very few articles, could then have the benefit of the minimum rates by being shipped through Canada. I explained that I did not think that would be found to be at all practicable, as, notwithstanding the high duties imposed by the United States on all lumber, fish and several other articles, we sent a very large quantity to the United States. I was requested to send the gentlemen named above a copy of our tariff, and also of our trade and navigation returns, and agreed to do so, in order that they might be better prepared to continue the discussion at the next meeting, which has been fixed to take place next Thursday at 4 o'clock.

It is quite evident to me that having regard to the former negotiations carried on by my predecessor, Sir Alexander Galt, all of which are undoubtedly on record here, and to the position taken that they have only given the minimum tariff to the United States on an equivalent amount to that which has been freed from duty by the remission of duties on sugar, molasses and hides imported by the United States from France, there is very little hope that we can obtain any concessions except in return for corresponding remissions of duties on our part from the existing tariff.

I shall be very glad if the Honourable the Minister of Finance would give his immediate attention to this question and advise me how far it is possible to go in that direction, and on what articles it is desirable to obtain the minimum tariff from France, giving them in the relative order of importance. What would be more satisfactory, if it were possible, would be for Mr. Foster to join me here at as early a date as he might find possible.

I shall be happy to hear from you or the Minister of Marine before our meeting on Thursday next.

In conclusion, it is right I should say that Sir Joseph Crowe, who is thoroughly conversant with these commercial negotiations and is well known personally to M. Hanotaux, enters most warmly into the questions at issue, and renders me in every way invaluable service.

I am, &c.,

CHARLES TUPPER.

P.S.—I inclose a copy of the list of articles upon which it seems to me we should obtain minimum tariff treatment, which I left with the French representatives this afternoon.

C. T.

LIST OF CANADIAN ARTICLES.

Asbestos.
Pearl ashes.
Lumber of all kinds, including flooring, planed, tongued or grooved, and unfinished wood work.
Furniture.
Brooms.
Agricultural implements.
Sewing machines.
Woollens.
Ships (wooden).
Prepared hides.
Boots, gaiters and shoes.
Petroleum.

Books.
Agricultural products, including hay and bran.
Dried apples.
Canned fruits.
Clover seed.
Fish, canned, smoked or dried.
Lobsters.
Animals and their products.
Cheese and butter.
Eggs.
Condensed milk.
Game and poultry.
Preserved meats, canned or salted.

GRAND HOTEL, PARIS, 10th November, 1892.

DEAR SIR JOHN ABBOTT,—I have to confirm my letter of the 7th instant. It was arranged at our meeting on Monday that I should furnish the French representatives with a memorandum of my remarks to them. I accordingly drew up a precis of my statement on Tuesday morning and submitted a French version of the same to Sir Joseph Crowe that day with the request that if he approved to send it on to M. Hanotaux, which he did the same day.

I obtained yesterday the copies of the Customs Tariffs, Year Books and Trade and Navigation Returns, for which I had telegraphed to London, and I instructed my private secretary, Mr. Just, to leave them personally on the three French Commissioners. MM. Hanotaux and Roume were engaged at the time of Mr. Just's call, but he was received by Mr. Pallain and rendered that gentleman some little assistance by explaining to him the general plan of our trade returns and of the tariff classification. I am sorry not to have been able to supply these gentlemen with copies in French of all our documents. It was possible for me, however, to give each of them a copy of the French edition of the Year Book for 1890, which contains, fortunately, the Canadian tariff, with the amendments of 1891. Sir Joseph Crowe called for me to-day at 3.30 p.m. and we met the French representatives at the Foreign Office at 4 o'clock. I said at the outset that I had assumed, and that the French Customs law warranted me in believing that the minimum tariff would be given to any country which give France most-favoured-nation treatment, and I called attention to Article 1 of the Act in question, which reads as follows:—

"The general customs tariff and the minimum tariff of import and export duties are fixed in accordance with tables A and B appended to the present law. The minimum tariff shall be applied to goods the products of those countries which admit French products to similar advantages and which give them the benefit of the lowest rates."

I submitted that although the tariffs of France and Canada had both been raised, the minimum tariff was relatively very much higher than any increase in the Canadian tariff; that Canada had, moreover, given the same remissions of duty which had been made by the United States and in respect of which France had given the latter the minimum tariff on a number of articles, that the fact that Canada received nearly ten times as much from France as she sent to it, and that the large subvention the Dominion was prepared to give for the purpose of establishing direct trade between the two countries and which could not fail to be of very great advantage to France appeared to me to warrant the extension of the minimum tariff as a whole to Canada. I asked them, therefore, to say whether they were prepared to consider the question of giving Canada, in view of all these facts, the benefit of the minimum tariff in its entirety, or, failing that, whether they were prepared to treat as to the application of the minimum to certain articles.

The French representatives stated in reply that they had carefully considered the question of giving the whole minimum tariff to Canada, but they had arrived at the conclusion that it would be impossible to do so, as they feared that goods from the United States would be exported to France through Canada. But they would be prepared, if I would indicate the articles for which Canada specially desired to obtain the advantage of the minimum tariff, to study the subject carefully with the view of arriving at the tariff remissions they would expect Canada to make on the other side.

The French representatives also added that any tariff remission given to France would be much more valuable if it were confined to France and not extended to any other country. I replied that it was as impossible for us to entertain any such proposition as it would be for them to confine the minimum tariff to any one country, and that Canada must remain entirely free in that respect. I stated that Canada would certainly not give any other country any concession she might make to France without obtaining a sufficient equivalent in return.

I reminded the French representatives that I had already given them a provisional list of articles, a copy of which I transmitted to you with my despatch of the 2nd instant, and added that I would be glad to know what they had to say with regard to it. We thereupon went over a number of articles in question.

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I understood there would be very great difficulty with regard to lobsters. It had been originally included in the United States arrangement and though pressed for very much had been ultimately left out.

The Commissioners were prepared to entertain lumber in the same way they had done with the United States.

Apples, green and dried, were also regarded favourably, but I found there would be difficulty with regard to clover seed, as it was an agricultural product, and any proposal to depart from the maximum tariff in respect to such products excited great opposition in the Chambers. Animals and other products are objected to on the same grounds, and the Government find it very difficult to carry any measure that interferes with the agricultural interests. I need only remind you of the position of the Franco-Swiss convention at the present moment as an instance of the pressure that is being brought to bear upon the Government by this interest.

The question of canned fruits I found would depend very much as to whether they were prepared with sugar, in which case it would be difficult to secure the minimum tariff for them.

I was informed that they would concede ships, and the same also applies to furniture quoted under Nos. 591 and 592 of the tariff. This comprises practically all plain furniture other than of bent wood.

It is understood that the list I have furnished is still open to revision; in the meantime they are looking into the matter, and I have promised to submit a complete list at our next meeting, which has been fixed for Tuesday next.

I should say that I stated to the French representatives, when the question of ships came up, that we did not attach the same importance to this as we did some years ago, the wooden shipbuilding industry in Canada for obvious reasons having shrunk to smaller dimensions.

I also drew their attention to the fact that the minimum tariff is so high that, even if it were conceded to us in regard to the articles I had mentioned, we could not in the circumstances expect a large expansion of trade, while on the other hand if we make a reduction in the duties on wines, it would undoubtedly extend the trade of France very considerably, and that this was a matter for which due allowance must be made. I have been waiting with some anxiety to hear from Mr. Foster, especially with regard to the list of articles I sent you in my letter of the 2nd instant, and upon which I desired to have the benefit of his opinion as to their relative importance for my guidance in the negotiations.

In order to save time I would be glad if Mr. Foster could let Mr. Colmer telegraph in cypher in reply to the points I have raised and if he would also kindly let me have as early as possible a full statement upon the subject.

I send by this post a copy of the French Yellow Book, which was issued a few days ago. Reference to the record of the negotiations between Mr. Whitelaw Reid and M. Ribot, the Foreign Minister, will show how important it was to France and her colonies to enjoy the exemption from the duties on sugar, molasses and hides, and how insignificant the consideration which the United States received for that remission.

I would like to know if there is any probability of Mr. Foster being able to come here, as otherwise I think it would be better for me to run over before the meeting on Tuesday next, and have an opportunity of discussing the subject fully with him.

I am, &c.,

CHARLES TUPPER.

PARIS, 15th November, 1892.

DEAR SIR JOHN ABBOTT,—Sir Joseph Crowe was good enough to call for me to-day at a quarter past three, and, after discussing the questions at issue we proceeded to the Foreign Office to meet MM. Hanotaux, Pallain and Roume.

I reminded those gentlemen that the statistics which I had already supplied to them showed that Canada not only took ten times as much of the products of France as France received from the Dominion, but that that condition of things existed under a French tariff which was much more favourable to Canada than that

now in force, and that it appeared to me quite evident that while as matters now stood, the exports of France to Canada would steadily and largely increase, Canada on her side would be unable to send anything to France under the maximum tariff to which her exports were at present exposed. I added that I thought this a consideration which should weigh seriously in favour of the extension by France of the minimum tariff, for the reasons already fully stated, to the list of Canadian articles I had placed in their hands. The Commissioners replied that it was impossible for France to make the concessions which Canada demanded, unless we were prepared to give correlative advantages to their country, by reducing the duties now imposed by Canada upon French products. They stated that although we had removed the duty on sugar, Canada still offered a bounty upon beet-root sugar produced in the country, and further, that the Canadian duties on wines were higher than those of any country in the world except Russia. I rejoined that the bounty upon sugar which Canada had agreed to give might be regarded as merely nominal as it had long existed without any result whatever; that no beet-root sugar had been manufactured under it, and that this was not probable as it had only been extended for one year. I said that I felt quite sure they were seriously mistaken as to the character of the Canadian wine duties and they would find upon further examination of the subject that our duties upon wines and spirits were much lower than those imposed in the United States. I promised to look into this matter and submit the result for their consideration. I should add in this connection that the French representatives urged the great importance of our remitting not only the whole of the *ad valorem* duty upon wines but also of lowering the specific duties, and, further, the desirability of reducing, at all events to some extent, the duties on champagne and on genuine cognac. They also pressed for the reduction of the duties on French books, of the duties on brushes which they held to be excessive, as well as on fancy goods, gloves, porcelain and window glass.

I told them that no reduction of the specific duties on wines could be entertained, and that no reduction of duty could be made on champagne and cognac, which were in reality *articles de luxe*. I added that I feared I could not say anything encouraging as to fancy goods, gloves and porcelain, but I promised to consider the question of French books. I pointed out that the brush trade was an important industry in Canada and that I felt it improbable that any reduction could be made in the duties on this class of goods. As to window glass I thought that the subject might be considered.

In referring the Commissioners to the list of articles I had enumerated for their consideration, and of which they had agreed to entertain the following for the benefit of the minimum tariff:

1. Woods of all kinds, including *merrains* (staves), as arranged with the United States.
2. Canned fruits in so far as they are not prepared with sugar.
3. Apples and pears, for the table, fresh, dried or crushed.
4. Furniture, as indicated under No. 591 and 592 of the tariff, and
5. Wooden ships.

I informed them that I proposed to add to that list: canned meats, canned fish, canned lobsters, pails and buckets; wood pulp, paper, leather, tanned and curried, sole and upper leather, unprepared; inlaid floorings, agricultural implements, and sewing machines.

I stated that I would now, having fully given them my views upon the subject, be glad to have a counter proposition from themselves. After some hesitation they said they would offer the minimum tariff on woods of all kinds in exchange for the remission of the *ad valorem* duty on wines up to 26 degrees. I said at once that it was impossible to entertain any such proposal, as the whole of the margin between the duties of the maximum and minimum tariffs on the woods which we had exported to France under the old and more favourable tariff would not amount to one-half the sum which Canada would surrender by the remission of that duty on wines. The Commissioners said here that while they accepted the Canadian official figures - regards the imports from France, they were satisfied the returns of the exports from Canada to France were quite inaccurate, as their own returns showed

that the quantity of wood exported to France from the British North American Colonies was more than double the amount contained in our own returns. On my enquiring how that could possibly be, it was replied that at the instance of Canada, France some years ago removed the *surtaxe d'entrepôt* upon Canadian woods coming through Antwerp into the country in order to put Canada on the same footing as Norway and Sweden and they supposed a large amount had come by that channel. I requested to be supplied with the French returns on that subject, and obtained them, and promised to investigate the matter. I cannot find that any material quantity of Canadian wood has been sent to France in the way referred to, and I can only suppose that, Newfoundland being included in the French returns, a large amount of wood has come thence into France. I have telegraphed to Mr. Colmer to ascertain what amount of lumber Newfoundland exports to France annually.

We have arranged to meet for the continuation of these discussions on Friday next at 4 o'clock, and I hope to have the advantage of discussing the present position fully with the Hon. the Minister of Finance on his expected arrival here on Thursday night.

I do not despair of getting a fair arrangement. Several papers here have noticed my mission in very favourable terms as you will find in the "Paris-Canada," which I will send you, in which these articles are reinserted.

I am, &c.,

CHARLES TUPPER.

P.S. The French Commissioners stated to me that they would be quite prepared to make substantial remissions of duty, below the minimum tariff, on Canadian products sent to St. Pierre and Miquelon, and to the other French Colonies.

CH. T.

PARIS, 18th November, 1892.

DEAR SIR JOHN ABBOTT,—I again met, in company with Sir John Crowe, the French Commissioners at the Quai d'Orsay, at 4 o'clock this afternoon.

I referred at the opening to the statement which had been put forward by them at the last meeting that the Canadian wine duties were heavier than those of any other country in the world except Russia. I said that I had investigated the subject in the interval, and had examined the wholesale price lists of a large number of well known French exporting houses of Bordeaux wines and Burgundies, and I had found that wine of this description in bulk quoted at two hundred francs (\$40) and below, per barrique of 225 litres (49½ gallons) were able to enter Canada under the existing tariff at a rate of duty ranging from two to forty per cent. lower than that imposed by the United States on the same wines, and wine in bottle costing fifteen francs (\$15) and below per dozen quarts, at from three to forty per cent. lower than the duty levied in the United States. I added that I had been advised by wine experts that the classes of wine embraced in this range of prices were thoroughly representative of the bulk of the wine industry of France, the trade in which it was desired to expand as much as possible. In reference to champagnes, I stated that the case for Canada was still stronger; that on the present exports of this class of wine from France to the Dominion the average duty paid on quarts was twenty per cent. and on pints, sixteen per cent. lower than the duties exacted in the United States; and further, that if the lighter champagnes of Epernay and Saumur were considered, the duty payable in Canada upon these was from twenty-five to thirty per cent. lower than that charged in the States. These statements were not questioned, but the French Commissioners dwelt upon the duties upon the more expensive descriptions of clarets and burgundies in bottle.

I stated in regard to the enquiry which had been made at the previous meeting as to the possibility of reducing the duties on French books, fancy goods, gloves, porcelain and window glass, that I was afraid it would not be found practicable to make any reduction on these articles; that with reference to window glass, the duty had recently been reduced 50 per cent. and stood now at 20 per cent. *ad valorem*, the change having involved a loss to the revenue of about \$20,000. I presumed

they were not aware of this item when they asked for the reduction of the duty upon this article.

I submitted to the French Commissioners an amended list, a copy of which is attached, and called their attention to the additional articles which this list embraced, viz.: boots and shoes, live eels, cheese and condensed milk, for which Canada desired to obtain the minimum tariff.

I was informed that it was impossible for them to entertain the question of boots and shoes and cheese; they enquired whether the Canadian condensed milk contained sugar. I said I was not prepared to speak positively as to this, but thought it did not.

They pressed again very strongly for a reconsideration of French books and also of prunes, plums and nuts and almonds, which I assured them would be carefully looked into with the view, if possible, to make some slight reduction.

The French Commissioners stated that the tariff between France and Canada on the articles of commerce exchanged by the two countries was very much in favour of the French tariff, as Canada charged \$932,032 on importations from France of \$2,312,143, or from thirty-eight to forty per cent., and that under the minimum duties the tariff on goods coming from Canada to France was only from eleven to fourteen per cent. I replied that, without admitting the accuracy of this calculation, it was only necessary to allude to the fact that no such comparison could properly be instituted, as the French products admitted into Canada were, without scarcely any exception, *articles de luxe* upon which a great amount of labour had been expended, whereas the bulk of the products exported by Canada to France was composed of raw materials which had involved but little labour in connection with their exportation. The French Commissioners showed me replies from the various outports of France as to the amount of wood imported from Canada, and submitted a statement in confirmation of the accuracy of their assertion as to the amount sent from Canada to France, and which I was obliged to admit furnished very strong evidence that our returns of the exports of woods had been under-estimated.

They also drew attention to the position of St. Pierre, which was now placed under the French tariff, and stated that they would be prepared to give to Canada a large reduction below the minimum on animals and their products, pigeons, oats, hay, and apples; fresh meat, firewood, staves, and eggs, it was stated, would be admitted free of duty, and building lumber would pay fifteen centimes instead of one franc and twenty-five centimes per 100 kilogrammes. In fact the concession they would make to Canada in regard to the Colony would amount to a remission of duty of about \$250,000 below the minimum tariff on the present Canadian exports to St. Pierre.

I said in reply that down to the present time St. Pierre had been a free port, and that I presumed that policy had been dictated by the necessities and interests of the people there, who undoubtedly derived as much advantage from the freedom of trade as those who supplied the goods essential to the colony.

I then reminded the French Commissioners that I understood they would be prepared at the present meeting to submit a proposal showing how far they were prepared to go in granting the minimum tariff to Canada, in return for the reduction of the thirty per cent. *ad valorem* duty upon French wines of all kinds except sparkling, up to 26 degrees. They then handed me a memorandum, a translation of which I enclose, containing a précis of the French position, and Tuesday next, 22nd instant, was appointed for our next meeting.

I am, &c.,

CHARLES TUPPER.

Amended list of articles submitted to the French Commissioners at the meeting held on November 18th, 1892:—

Woods of all kinds, including staves,
Ships,
Canned meats,
Canned fish,

Furniture,
Wood pulp,
Agricultural implements,
Sewing machines,

Fish, smoked or otherwise,
Lobsters,
Canned fruits,
Flooring,
Doors, window frames and sashes and
wainscoting,

Boots and shoes,
Extract of bark,
Live eels,
Cheese,
Condensed milk.

Translation of the note handed to Sir Charles Tupper by the French Commissioners at the meeting held in Paris on November 18th, 1892.

(Official.) RÉPUBLIQUE FRANÇAISE, PARIS, the November, 1892.

NOTE.

At the third meeting, the French Commissioners replied to the observations and proposals put forward by the Canadian Commissioner in the course of the first and second meetings. They stated in the first place that the returns representing the value of the importations into France from Canada and into Canada from France, upon which the arguments of the Canadian Commissioner were based are so difficult to check, owing to the transshipment to which the greater part of the products exchanged are subject, and that these returns are throughout so incorrect that it is impossible for any conclusion one way or another to be drawn from them. If as is customary the returns at the point of arrival are taken, it is found that the imports of Canadian products into France exceed greatly the proportions given by Sir Charles Tupper. Thus, woods, in the returns of the exports of Canada stand at 640,000 francs, whereas the returns of the French Customs Department, based upon the rate of valuation adopted by the permanent commission of valuers, show that we have received from Canada wood of the value of 2,238,000 francs, representing upwards of 20,000,000 kilogrammes. The permanent commission of valuers for the Customs Department value Canadian woods, rough or sawn, as follows: 55 francs if in the rough, and 95 francs if sawn.

On the other hand, it is to be observed that the argument used by Sir Charles Tupper may be questioned when he stated that the treatment enjoyed by French products in Canada was an advantageous one, if it is remembered, first, that the average duty upon the whole of the French products is forty per cent. *ad valorem*, and that one of our principal articles, wines in bottle, are subject to duties and surtaxes which raise the impost to 90 per cent. on Bordeaux wines in bottle, a figure truly exorbitant, and which is not exceeded in any country except in Russia.

The French Commissioners cannot admit, therefore, this unique Canadian tariff to be equivalent to France as the minimum tariff would be to Canada. In our eyes it is rather of the nature of a maximum tariff, and we ask that reductions be made in this tariff proportionately to those which may be made by the concession of the minimum tariff in regard to certain Canadian products.

To the inquiry of Sir Charles Tupper, whether France would be disposed to grant Canada the minimum tariff as a whole, it is replied that this is not possible for several reasons, first, that a number of articles inscribed in the minimum tariff are of no interest to Canadian trade; second, that it is feared that certain neighbouring countries of Canada, which do not enjoy the whole of the minimum tariff, might make use of the Canadian route to send in their products with the advantage of that tariff, and finally, that the Commissioners do not desire to make a precedent, in view of the situation of Canada, a country with an unique tariff, in regard to the modification of which there cannot be any question, except by entering into negotiations for a veritable treaty of commerce.

The arrangement to be arrived at, therefore, must rest upon the basis of a *quid pro quo*, having as its object reductions in the general tariffs of Canada and of France on articles in which the trade of the two countries is specially interested.

The French representatives inquired of the British and Canadian delegates whether this point of departure is accepted by them, as failing that, there would be no reason for continuing the pourparlers which had been entered upon.

Upon the formal declaration of the commissioners referred to that this basis was

accepted by them questions of details, matters of detail were taken up. The French Commissioners went over the list furnished by the British and Canadian Commissioners, the latter requesting that the following articles be added to that list:—

Extract of bark.....	No. 238
Canned fish.....	No. 47
Lobsters.....	No. 49
Coopers' wares.....	No. 602
Wood pulp.....	No. 168
Paper, common.....	No. 461
Leather.....	No. 476
Flooring, spruce... ..	No. 600
Sewing machines.....	No. 523
Agricultural implements.....	No. 522

Before examining these articles, the French Commissioners stated that they thought it would be well if they made known what they would want in return, for since the principle of a *quid pro quo* had been accepted, the advantages on both sides should be reciprocal. This proposal having obtained the support of the British and Canadian Commissioners, the French Commissioners asked in exchange for the concessions which they intended to make, that out of the whole of their products which received the benefit of the lowest Canadian duties certain of them should be subject to lower duties than those appearing in the tariff.

The French Commissioners request that these reductions should be made especially on wines (ordinary wines and sparkling wines), on cognacs, accompanied by certificates of origin, which at the present moment are subject to a duty of 121 per cent. A discussion hereupon ensued, the British and Canadian Commissioners stating that the latter of these articles could not be entertained on account of the opposition to be expected from the temperance associations. With regard to the former, that is to say wines, they stated that the Canadian Government could under 42 Vic., cap. 15, clause 12, remove the surtaxe of 30 per cent. ad valorem placed upon the said products. The French Commissioners replied that this proposal appeared to them to be insufficient, and that in view of the enormous duty, the reduction should be applied also to the specific or principal duty in the tariff.

They asked at the same time whether the Canadian Government could not grant to French wines, which were essentially hygienic beverages, advantages of a special character and applying to them alone, or at all events advantages which would not be given to any other nation except Spain, the power also referred to in the Act of 42 Victoria.

Proceeding with other articles, the French Commissioners asked for reductions on books and printed matter, and also on a certain number of fabrics: woollen, silk, calicos, but on the Canadian plenipotentiary declining to entertain them they proposed reductions on porcelain, window glass, embroidery, gloves, and, in addition, on articles *de Paris* (fancy goods, ribbons, perfumery, artificial flowers, buttons, morocco leather goods).

Sir Charles Tupper promises to examine these matters, and the next meeting is fixed for Friday, the 18th instant, at 4 o'clock.

GRAND HOTEL, PARIS, November 21st, 1892.

DEAR SIR JOHN ABBOTT,—Since acquainting you in my letter of the 18th inst. with the subject of the discussion with the French Commissioners on that day, I have given the question of the negotiations with France my most careful consideration, and I enclose for your information a communication which I propose to send to them this morning, with the view to bring our negotiations to a conclusion. I have endeavoured in its contents to place our position as strongly before the French Commissioners as I can.

I must, however, now invite your attention and that of the Hon. the Minister of Finance, who is fortunately here at the present moment, to the phase which this matter has assumed.

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The ground upon which the Order in Council authorizing these negotiations was based was a claim on the part of Canada to the same consideration that had been extended by France to the United States; but upon examination of the matter two serious difficulties in adopting that line present themselves. The first is that the negotiations between the United States and France were based upon an application to receive the minimum tariff on the exports of the United States to France to the extent of an equal value to that of the sugar, molasses, coffee, tea and hides imported by the United States from France and the French colonies under the McKinley tariff. As the amount of these articles, likewise made free under our tariff, imported into Canada from France and her colonies is very little, if anything, it will be seen at once that our case on that basis falls to the ground.

The discussion has naturally, therefore, resolved itself into the question of a *quid pro quo*, and while I have endeavoured, as you will see by reference to my reports of our meetings, to present and urge Canada's claims as strongly as possible, I do not think we can hope to obtain, for a surrender of the 30 per cent. *ad valorem* duty on claret and burgundies imported from France, any material concession outside of the minimum tariff on woods, as described in the United States arrangement, and a large reduction below the minimum tariff in St. Pierre and Miquelon, which will amount to a remission of duty of some 250,000 francs per annum on Canadian exports thither under the maximum tariff which will become payable there after the 1st February next.

When it is remembered that under the national policy we have been unable practically to do anything to assist the lumber trade, I am afraid we shall be placed in a false position towards that interest if we refuse to accept such an offer, assuming that it can be obtained.

It will thus be seen that the remission of duty on the wood imported into France from Canada, as shown by the French trade returns, which I am satisfied are correct, and on the wood exported under the proposed remission of duty to St. Pierre and Miquelon, will exceed in amount the whole of the *ad valorem* duty which it is proposed to surrender on the wines, leaving a large balance in our favour, and, in addition, the reductions on other articles to St. Pierre, the trade in which the proximity of Canada will enable her largely to monopolise as at present.

I am afraid, therefore, that we will be open to serious attack if we are able to obtain these advantages and should not avail ourselves of the opportunity to promote a very important Canadian industry.

I do not anticipate any serious difficulty arising in connection with our negotiations with Spain from the adoption of the proposed arrangement with France, as the wines of Spain are to a large extent of an entirely different character.

Under these circumstances I am inclined to think that I should be authorized to conclude the arrangement I have outlined if it is in my power to accomplish it.

I am yours faithfully,
CHARLES TUPPER.

Sir Charles Tupper to MM. Hanotaux, Pallin and Roume.

GRAND HOTEL, PARIS, November 21st, 1892.

To MM. HANOTAUX, Pallin and Roume.

GENTLEMEN,—It has occurred to me that a brief resumé of our position, as I understand it, may facilitate our arriving at a conclusion at our next meeting.

I beg to say that I have been greatly disappointed to find that you are not disposed to attach any weight to the fact (1) that no duties are imposed by Canada upon sugar, tea, coffee and hides—the recent remission of the duties on sugar having involved a loss of revenue of nearly \$3,000,000 per annum, especially when it is remembered that France has given the minimum tariff to the United States on a number of articles in consideration of a similar remission of duty; (2) that French products enter Canada at much lower rates of duty than the United States, and (3) that, accepting the French trade statistics as to the Canadian exports of wood to France,

Canada received under the existing tariff, previous to the adoption of the present high tariff in this country, nearly six times as much of the products of France as she was able to send to France.

It also appears that you are not disposed to recognize the value of direct communication between France and Canada by a fast line of steamers for which the Government of Canada stand pledged to grant an annual subvention of £150,000 sterling, although it must be perfectly evident that such a line of direct communication between the two countries will be of very great value to France.

Under these circumstances, rather than abandon all hope of negotiating freer trade relations between France and Canada, I have proposed that we should remit the whole of the *ad valorem* duty on French claret and burgundy wines, up to twenty-six degrees of alcoholic strength, which, taking the importation of 1891, would amount to \$28,183.

When it is remembered that France, practically, has no competition in these wines, the trade must be recognized as one that will rapidly obtain much larger proportions.

Since our last interview I have had an opportunity of consulting the Prime Minister and the Minister of Finance of Canada, and they have authorized me to say that they will submit to their colleagues for their consideration, the question of 'the reduction of duties on French books and Castile soap, and that they will agree to the remission of one-third of the present duties on prunes, nuts and almonds, for which you pressed so strongly.

I trust, therefore, at our next meeting, you will be prepared to inform me of the extent to which you will be able to go in return, in granting the minimum tariff to the articles which I have named in the list already submitted to you.

I trust you will also bear in mind the relative nature of the products which Canada sends to France, and of those we receive from you; the former being, to a large extent, of a kind upon which little labour is expended, and the latter consisting principally of articles *de luxe*, which involve a large amount of labour in preparing them for export, and that you will recognize with corresponding liberality, the demands for the remission of duty upon as large a number as possible of the articles I have presented for your consideration.

In the hope that you will be able to give such a consideration to this question before our meeting on Tuesday as to enable us to decide whether any object will be gained by continuing the *pourparlers*.

I remain, gentlemen, yours faithfully,
CHARLES TUPPER.

GRAND HOTEL, PARIS, 18th January, 1893.

DEAR MR. BOWELL,

I have to confirm my telegram of the 11th instant to Sir John Thompson with reference to the proposed commercial arrangement between Canada and France, as follows:—

"Lord Rosebery asked when I would be ready to return to Paris. I am afraid further delay will create unfavourable impression in French government, Lord Dufferin and Foreign office, which may seriously affect us in future negotiations if I am not promptly advised wishes Canadian Government."

"HON. MACKENZIE BOWELL,
"Minister of Trade and Commerce,
"Ottawa."

and to acknowledge the subjoined cable message from yourself in reply, of the 11th instant:—

"Re French negotiations, government cannot accept conditions involved in clauses regarding steamship subvention and reduction duty French books, but agree to most-favoured-nation treatment so far as articles named in treaty are concerned; they agree to other conditions in return for minimum tariff on articles named as regards France and St. Pierre and Miquelon; this subject to your views as to effect on proposed Spanish negotiations."

A further cable message reached me from the Honourable Mr. Foster on the 14th instant in relation to the foregoing in the following terms:—
"Re Bowell's cable 11th exports to St. Pierre Miquelon to be on basis of French offer, not simply minimum tariff."

To which I replied:—

"Thanks, I quite understand."

I had already communicated the position of affairs to the Marquis of Ripon in a letter of the 13th inst., a copy of which is attached, and had asked that the Foreign Office might at once be notified of the matter. I telegraphed also the same day to Sir Joseph Crowe in Paris, as under:—

"Please ask Lord Dufferin to inform the French government that I will return to Paris next Monday to resume negotiations."

I accordingly left London on Monday afternoon, the 16th inst., and arrived in Paris on Tuesday morning several hours behind time, a heavy fall of snow having completely disorganized the train service. Sir Joseph Crowe called upon me at 11 o'clock the same morning to discuss the position, and at noon I went to see Lord Dufferin, and arranged to meet His Excellency at the Quai d'Orsay, on the morrow, Wednesday, the 18th, at 5 p.m., for the purpose of being presented to M. Delle, the new French Minister for Foreign Affairs.

In the meantime, Mr. Austin-Lee telegraphed to Sir Joseph Crowe to request him to arrange, if possible, with M. Hanotaux for a meeting at 4 o'clock on the same day. Sir Joseph called subsequently to say that M. Hanotaux was confined to his house by illness, but that he would receive us there as proposed.

In company with Sir Joseph Crowe I proceeded to M. Hanotaux's residence to-day at the appointed time. I explained to that gentleman that the delay in my return to Paris had been caused by changes in the Government of Canada, notably to the appointment of a Minister of Trade and Commerce to whom had been transferred all the papers connected with the negotiations, and also to the absence of a full cabinet in Ottawa owing to elections and changes in the administration.

M. Hanotaux said that he quite understood this, and was very glad to welcome me back to Paris.

I stated that after full consideration the Government of Canada had accepted the proposals of the French Government as embodied in the memoranda which he (Mr. Hanotaux) had handed to me at our last meeting on November 22nd, with the exception of the proposition to reduce the duty on French books and the clause relating to the direct steamship service between France and Canada; that I was not aware of any change in the policy of the Government in regard to the steamship service, but that it was not considered proper to make a question of this kind the subject of an engagement to another country; and that I would write a letter to him, (see enclosure) explaining that fact, and furnish him with a copy of an extract of the speech I had recently addressed in London to a large deputation of gentlemen interested in the port of Milford Haven, from which he would see the importance that Canada attached to obtaining direct communication with France. I added that the fact that the minimum treatment which it was proposed that France should give to Canada on a number of articles would be practically of little value without direct communication between the two countries, affording a sufficient guarantee of the interest which Canada had in obtaining that direct steamship service.

M. Hanotaux recognized the force of my observations upon that question, but expressed regret at the Government of Canada declining to make any reduction on books. He inquired whether reviews, pamphlets and publications of that kind might still be included. I said that of course the Canadian Government would at any time consider the modification of the proposals in that respect, but that owing to the difficulty of communication at present I thought it would be necessary to base any reference to that subject outside of the proposed agreement.

M. Hanotaux stated that it would be necessary for him formally to submit the whole question to the new Minister of Commerce and wished to raise the question of the withdrawal of some of the concessions to be made by France, but I replied that it would be an awkward thing to do so at this stage, as my authority was limited to the acceptance of the proposals as agreed to by Canada without modification.

M. Hanotaux explained that the question of giving Canada the minimum tariff on cheese had been left subject to the consideration of the French Government, and that it would be necessary at all events to take their opinion on that matter. It was then arranged that we should meet again on Saturday next at 4 o'clock, and that in the meantime M. Hanotaux would communicate with the Minister of Commerce.

It was also arranged that the treaty should be indefinite in point of time, but subject to one year's notice of denunciation on either side.

On leaving M. Hanotaux, I met Lord Dufferin, as arranged, at the Quai d'Orsay, but found that the Foreign Minister had been called away unexpectedly to the chamber to answer an interpellation. Lord Dufferin is therefore to call for me to-morrow morning at noon, for the purpose of taking me to the Foreign Office to be presented by him to M. Develle.

I remain yours faithfully,

CHARLES TUPPER.

17, VICTORIA STREET, S. W., 13th January, 1893.

The Under Secretary of State,
Colonial Office.

Sir,—With reference to previous correspondence respecting the negotiations for a Commercial Treaty between Canada and France, I beg to quote, for the information of the Secretary of State for the Colonies, the following telegram which has reached me from the Minister of Trade and Commerce of Canada:—

"*Re French negotiations.* Government cannot accept conditions involved in clauses regarding steamship subvention and reduction duty French books, but agree to most-favored-nation treatment *so far as articles named in treaty are concerned*; they agree to other conditions in return for minimum tariff on articles named as regards France and St. Pierre and Miquelon. This subject to your views as to effect on proposed Spanish negotiations."

I think the contents of this telegram may be regarded as satisfactory, and am arranging to return to Paris on Monday next for the purpose of resuming the negotiations. I shall be much obliged if a notification to this effect can be conveyed to the Foreign Office.

As explanation of the delay which has arisen in the consideration by the Canadian Government of the proposals in connection with the matter, I beg to also quote a telegram I received last evening from the Premier of Canada, as follows:—

"Minister of Trade and Commerce telegraphed you yesterday result deliberations French treaty. I much regret delay, but it was unavoidable on account of elections."

As the Marquis of Ripon will be aware, recent alterations in the personnel of the Government of Canada have taken place, and it is to those changes, and the circumstances connected with them, that the delay which has occurred in conveying to me the decision of the Government in the matter is attributable.

I am, &c.,

CHARLES TUPPER.

Sir Charles Tupper to M. G. Hanotaux.

GRAND HOTEL,

PARIS, 18th January, 1893.

DEAR M. HANOTAUX.—As I informed you to-day the Government of Canada have agreed to the proposals in your memoranda which you handed to me at our meeting on 22nd November last, with the exception of the proposed reduction of duty on French books, and the clause relating to the steamship service between France and Canada. This does not arise from any change in the policy of the Government in the latter question, as I have placed it before you, but there does not seem to be any ground for embodying the intentions of the Government in a treaty to which there are obvious objections.

Since our meeting on the date mentioned, I had occasion to refer to this subject in replying to a very influential deputation which waited upon me to advance the

interests of Milford Haven as a point of communication between Canada and England. I enclose a copy of my speech in reply to the deputation in which you will see that I explained to them that Canada attached a great deal of importance to that feature of the project which provided for direct communication with France.

You will also readily perceive that the concession of the minimum tariff on a number of articles which it is proposed to give Canada will be practically of no value unless direct communication between the two countries be provided, as the *surtaxe d'entrepot* would make it impossible for Canada to derive any advantage therefrom.

In the hope that this explanation will be satisfactory to the French Government, and that we may be able to conclude our negotiations upon the basis concurred in by the Government of Canada,

I remain yours faithfully,

CHARLES TUPPER.

EXTRACT from the speech made by Sir Charles Tupper on 29th November, 1892, in reply to the deputation from the county of Pembroke which waited upon him to represent the advantages offered by the port of Milford Haven in connection with a fast Atlantic service between Canada and Great Britain.

(As reported in the *South Wales Daily News* of November 30.)

"There was, however, one feature connected with the matter which had not been prominently adverted to. It was a feature to which Canada attached a deal of importance. That was they proposed to have not only a direct and rapid communication by going to an English port, but they proposed also to have a direct line of communication between Canada and the continent of Europe by requiring vessels to proceed on to a French port. Owing to the system adopted, and held with such tenacity by France the trade between Canada and France was greatly obstructed by the want of direct steam communication between the two countries. Now a vessel coming to an English port in the first instance would not at all affect the regulations in France provided the vessel went on under through bills of lading and delivered her cargo if intended for France or any port of the continent of Europe without having landed it in England first. He drew their attention to that because, while listening to the very great attractions that undoubtedly the harbour in which they took so deep an interest was able to present, it occurred to him that they had not fully contemplated the effect of going to a French port."

Received 13th February, 1893.

VICTORIA CHAMBERS,

17, VICTORIA STREET, LONDON, S.W.,
31st January, 1893.

HON. MACKENZIE BOWELL,
Minister of Trade and Commerce,
Ottawa.

DEAR MR. BOWELL.—I returned to London from Paris on the 27th instant, and on the following day I left the text of the treaty at the Foreign Office as I had been requested to do by Lord Dufferin. I explained that it was of importance that Lord Dufferin and I should be authorized to sign at the earliest possible moment, as the Canadian Government were anxious to submit the treaty to the House, now in session, without delay. I am expecting at any moment to receive the necessary instructions.

I take the opportunity of transmitting a short memorandum I have drawn up on the subject of the opening in France for hard cheese, provided Canada obtained the minimum tariff on that article, which I commend to your perusal. I have also in this connection to make a correction in the statement I made in my last despatch, namely, that Switzerland exported 36,000,000 pounds of cheese to France. This amount, as you will see from the memorandum, represents the total importation of hard cheese into France.

I am yours faithfully,
CHARLES TUPPER.

Received 13th Feb., 1893.

MEMORANDUM ON THE FRENCH MARKET FOR CHEESE.

The imports of hard cheese (*de pâte dure*) into France are very considerable. The French official returns for the year 1891 give the total receipts of this class of cheese at 15,726,825 kilogrammes (36,000,000 pounds), valued at the average at from fr. 1.50 per kilogramme (15 cents per pound). Of this quantity 10,766,500 kilogrammes were entered for consumption, leaving a balance of 4,960,325 kilogs for re-exportation—the actual quantity of foreign hard cheese re-exported was 4,716,463 kilogrammes. England and Algeria took the bulk of this export, viz.: 4,386,370 kilogs, the remainder going to the French Colonial possessions.

The chief sources of the foreign cheese supply of France are Switzerland, 8,222,243 kilogs; Holland, 4,500,000 kilogs, and Italy, 2,087,474 kilogs. Switzerland and Italy therefore furnish two thirds of the foreign supply.

Switzerland supplies almost exclusively Gruyere cheese. It is practically as much the national cheese of France as Cheddar is of England, and it is consumed in enormous quantities. Gruyere is made of skim milk, and arrives in France in three qualities. The first and finest generally goes to Paris, the second grade is consumed in the provincial centres, while the third grade, which forms the bulk of the importation, finds a market among French shipping and in the Mediterranean.

Italy supplies Gorgonzola. Both Switzerland and Italy are now under the general tariff of France, the duty levied is a high one, viz.: 25 francs per 100 kilogs as against 15 francs the minimum tariff rate.

It follows that the cheese imports into France from the two countries in question must largely come to an end. In these circumstances an improvement in the price of cheese in France is not impossible. Local productions will be stimulated and other cheese producing countries enjoying the minimum tariff will find an opportunity for improving their position in the French market.

The cheese industry of Canada is so thoroughly organized that the control of the local and British markets is now practically assured. But with the continued expansion of that industry in the Dominion the need of other markets will inevitably arise. Provided Canada therefore could obtain the minimum tariff on cheese in France, that country would offer an alternative market capable of absorbing a large quantity of new varieties of cheese, a matter which could not fail to be of the utmost advantage to the cheese industry of Canada in so far as it would tend to broaden its basis, and strengthen its position in the world's market.

Experience in the manufacture of fancy cheese in general and of Gruyere and Gorgonzola in particular may not be very widespread at present in Canada, but that it exists is proved by the testimony of Mr. Jubal Webb, one of the largest cheese dealers in London, who stated to Sir Charles Tupper to the effect that some of the finest Gruyere cheese he had ever handled had come from Kingston, Ontario.

In any case the dissemination of the necessary information on the subject among the cheese-makers of Canada is not a matter of any great difficulty, and, given a possible market, Canadian enterprise, judging by the past, may be expected to do the rest.

It should be stated in this connection that there is also the British market for the cheese in question to be considered. Gorgonzola cheese has become a very favourite article of consumption in the large cities of the United Kingdom of recent years, so that in catering for France the not inconsiderable demands of the English market where Canada occupies a dominant position in cheese might receive attention at the same time.

The Hon. Sir John Thompson,
Prime Minister of Canada,
Ottawa.

GRAND HOTEL, PARIS, 6th February, 1893.

DEAR SIR JOHN THOMPSON,—I have much pleasure in sending herewith a copy of the Treaty, which has been duly executed to-day at five o'clock at the Foreign Office, Paris.

It is as you will observe in accordance with the instructions which were communicated to me by your Government, and it is identical with the draft already forwarded to the Hon. Mr. Bowell, the Minister of Trade and Commerce, with the exception of the addition of "Wood pavement in the piece" to the list of Canadian articles to which the minimum tariff has been accorded by France, which I presume you will receive to-day.

It is quite obvious that in the absence of the arrangement which has now been made, the exports from Canada to France would have been completely cut off, as no country under the maximum tariff could send any article in competition with countries having the minimum tariff. Thus as Russia and Norway and Sweden enjoy the minimum tariff, all competition with these countries in the woods which we send to France would have been rendered impossible.

The rupture in trade relations between France and Switzerland, owing to the rejection by the French Chambers of the Franco-Swiss Treaty, will cut off a very large export trade in wood from Switzerland to France, which entered into competition with the Canadian product, and there is every reason, therefore, to suppose that under the present arrangement a great impetus will be given to the export of wood of all kinds from Canada to France. It is also well known that it is becoming more difficult and expensive every year to export wood from Norway and Sweden, who will be our main competitors in that market.

Although not embodied in a treaty, as it is dealt with in another way by French administrative procedure, a great reduction below the minimum tariff has been made to Canada in St. Pierre and Miquelon, in connection with these negotiations. This concession will preserve a valuable and important trade which, otherwise, must have been destroyed under the application of the minimum tariff.

It must not be forgotten also that the Government of Canada long since pledged itself to the Government of France to reduce unconditionally the *ad valorem* duty on wines from 30 to 15 per cent.

You will observe by examination of the record of negotiations between the United States and France contained in the French Yellow Book enclosed, the latter country agreed to give the minimum tariff on common woods (Article 128); Wood pavement in the piece (Article 129); Staves (Article 130); Canned Meats (Article 19); Fresh Fruits (Article 84); Fruits, dried and pressed, with the exception of raisins (Article 85); Apples and Pears, crushed or cut and dried (Article 174); Hops (Article 160), in return for the free importation into the United States of sugar, molasses and hides amounting to not less than some nine to ten millions of francs per annum; and, consequently, the arrangement which Canada has been able to effect under this present Treaty will compare most favourably with the concessions made to the United States.

The letters exchanged between the Plenipotentiaries of the two countries, while containing nothing that is binding upon either, provided for a further extension of free trade relations, and I believe that the reduction by one-half of the present duty on paintings, prints, engravings, drawings and building-plans will obtain the minimum tariff on cheese and open up to Canada a very large market in France. By reference to the memorandum I have already furnished to the Honourable Mr. Bowell upon that subject you will see that the heavy export of cheese to France from Switzerland—and the same to a certain extent applies to Italy—must, in the present condition of things, be brought to an end, and I do not see any reason why Canada should not obtain a very large proportion of the trade thus cut off.

Under the proposed steamship line with France, which will enable us to have much more rapid communication and relieve our trade from the surtaxe d'entrepôt, I see no reason to doubt that the exports from Canada to France will be very rapidly and greatly increased.

The friendly relations that will be established under this treaty will render it easy for us, by a simple exchange of notes between the plenipotentiaries of the two countries, to obtain an extension of mutually advantageous concessions on any articles which it may be found profitable to deal with in that manner.

While I feel assured that the trade relations between Canada and France will be greatly extended by the treaty made, you will observe that if at any time it is

desired by Canada for any reason to terminate it, provision is made for that contingency by giving twelve months' notice.

The question of most-favoured-nation treatment to France does not in any way prevent a differential duty being established at any time between Canada and Great Britain or any British possession. You will also notice that all concessions made to Canada in this treaty are extended to Algeria and all the French colonies.

I cannot conclude this communication without saying that while the negotiations have been carried on entirely by myself on the part of Canada, and by Mr. Gabriel Hanotaux, Minister Plenipotentiary and Director of Consulates and of Commercial Affairs in the Foreign Office, Mr. G. Pallin, Councillor of State, Director General of Customs, and Mr. E. Roume, Director of Foreign Commerce, in the Department of Commerce and Industry, on the part of France, I have received the most cordial support and assistance from the Colonial and Foreign Offices in London and from His Excellency the Marquis of Dufferin and Ava. My obligations are especially great to Sir Joseph Crowe, First Secretary and Special Commercial Attaché of the Embassy, who has given me the benefit of his valuable advice and wide experience in such questions, and who has constantly associated with me in my intercourse with the French negotiators. I am likewise indebted to Mr. Austin Lee, of the Embassy, for his ready counsel and good offices which smoothed away the difficulties which arose in the course of this negotiation.

In addition to the courtesy and consideration shown to me by Lord Rosebery, and Sir E. Grey, the Under Secretary of Foreign Affairs, I should mention that I have received the most valuable advice and assistance from Mr. C. M. Kennedy, C.B., who is at the head of the Commercial Department of the Foreign Office.

I am yours faithfully,

CHARLES TUPPER.

VICTORIA CHAMBERS,

17, VICTORIA ST., LONDON, S.W.

8th February, 1893.

HON. MACKENZIE BOWELL,
Minister of Trade and Commerce,
Ottawa.

DEAR MR. BOWELL,—I left Paris yesterday morning taking with me the French Canadian Treaty and the letters exchanged for the Foreign Office, copies of which and of Lord Dufferin's covering despatch I am mailing to-day to Sir John Thompson.

I transmit in addition herewith copies of these papers for your information.

I have also to confirm my cable of yesterday in reply to your message of the 4th instant:—

"Your telegram received in Paris Sunday is fully answered by my letters 24th and 25th January which should have reached you yesterday".

I trust the points upon which you seem to have been in doubt are now clear to you.

I should mention that, after signing the treaty, I took the opportunity of saying to M. Siegfried that it would greatly strengthen the hands of the Dominion Government in getting Parliament's approval if the arrangements were adopted by the French Chambers at an early date, as this would effectually silence any criticism which the opposition might make, arguing from the delay which had taken place in connection with the passing of the arrangement between France and the United States, that France should be in no hurry to ratify the provisions of the treaty.

I explained also that another cogent reason for early action was to be found in the fact that the present moment was the time of the year when the annual contracts for timber were generally made, and I added that Canadian timber merchants were in the country now for that purpose, who were getting apprehensive as to their missing this season's trade if any delay on the part of France should arise.

Mr. Siegfried assured me that the matter should receive their best attention; that he hoped to have the *projet de loi* embodying the treaty laid upon the table

within the next three or four days, and that he had no doubt it would pass both Chambers by March 1st, next.

I will take care that you are supplied with copies of the Bill submitted and with the report of any discussion that takes place upon the subject.

On my arrival yesterday evening I found Sir John Thompson's telegram of the 6th which reads as follows:—

"No draft received; no step should be taken towards ratification until we cable approval; at present cannot understand what terms proposed either side."

"Letters of twenty-fourth and twenty-fifth not yet received; letters of eighteenth and twenty-first only and your telegram were before council when Sir John's telegram was sent instructing delay in ratification of treaty; effect of changes in original draft not fully understood."

I thereupon sent the following message to Sir John Thompson:—

"Had left Paris for London before your message arrived; Treaty was signed at five on Monday, in accordance with instructions from your Government; no change in original draft, except in addition to all the other articles enumerated. The proposals in letters exchanged by Plenipotentiaries are not binding but optional."

I am unable to understand the delay in the arrival of the despatches in question, as I took care to have them mailed on the 25th instant, by the White Star mail steamer. I trust, however, that they have reached you now.

I am yours faithfully,

CHARLES TUPPER.

The Marquis of Ripon to Lord Stanley of Preston.

DOWNING STREET, 16th February, 1893.

Governor-General, &c., &c., &c.

MY LORD,—I have the honour to transmit to you, for the information of Your Lordship's Government, a copy of a letter from the Foreign Office enclosing a despatch from the Marquis of Dufferin and Ava, reporting the successful termination of the negotiations with France in regard to Canadian trade and expressing his sense of the able manner in which these negotiations were conducted by Sir Charles Tupper and Sir Joseph Crowe.

I have, &c., &c.,

RIPON.

FOREIGN OFFICE, 10th February, 1893.

The Under Secretary of State,
Colonial Office.

SIR,—With reference to the previous correspondence on the subject of negotiations with France in regard to Canadian trade, I am directed by the Earl of Rosebery to request that you will inform the Marquis of Ripon that those negotiations have been brought to a successful conclusion, copies in print of the agreement signed and the notes exchanged, on the 6th instant, will shortly be forwarded to you. In the meantime I transmit a copy of a despatch from Lord Dufferin expressing his sense of the able manner in which the negotiations were conducted by Sir Charles Tupper and Sir Joseph Crowe.

I am to add that Lord Rosebery proposes to present to Parliament the correspondence on this subject.

I have, &c., &c.,

E. GREY.

P.S.—A proof of the proposed Parliamentary Paper will in due course be communicated to Lord Ripon.

E. G.

PARIS, 6th February, 1893.

The Earl of Rosebery, K.G.,
&c., &c., &c.

MY LORD.—The commercial negotiations with France in reference to its trade with the Dominion of Canada having been successfully terminated by the signature



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of the arrangement which I have had the honour to transmit to Your Lordship in my Despatch No. 45 Commercial of this day, I think it is incumbent upon me to call Your Lordship's attention to the skill displayed by Sir Charles Tupper and Sir Joseph Crowe in the long and difficult negotiations which they have carried on with the delegates of the French Government.

Owing to the objections existing in this country to any kind of commercial arrangements which may interfere with the liberty of the French Parliament to impose at any moment such duties as they may think necessary for the protection of its industries, it appeared at the outset very doubtful if these negotiations would come to a successful termination. The conciliatory spirit, however, shown on both sides has, I am happy to say, falsified these expectations, and I have no hesitation in saying that the conclusion of the arrangement is largely owing to the ability displayed by our negotiators.

Sir Charles Tupper has expressed to me how greatly he is indebted to Sir Joseph Crowe for the kind and considerate attention he has devoted to the matter, and for the very able and judicious manner in which Sir Joseph has aided the negotiations with the French Representatives.

I have, &c., &c.,

DUFFERIN AND AVA.